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(2) Without regard to existing contracts, every processor shall process, pack, label, and case dehydrated vegetables produced by him according to such directions as may from time to time be issued by the Director.

(3) The restrictions of paragraphs (b) (1) and (b) (2) hereof shall not apply to contracts now existing or hereafter made between processors and government agencies. In the event of any conflict between the specifications of a contract entered into between a processor and a government agency and directions issued under paragraph (b) (2) hereof, the contract specifications shall prevail for the quantities of dehydrated vegetables specified in the contract.

(c) *Records and reports.* Every person subject to this order shall maintain such records for at least two years (or for such other periods of time as the Director may designate), and shall execute and file such reports upon such forms and submit such information as the Director may from time to time request or direct, and within such times as he may prescribe, subject to the approval of the Bureau of the Budget, pursuant to the Federal Reports Act of 1942.

(d) *Audits and inspections.* Every person subject to this order shall, upon request, permit inspections by the Director, at all reasonable times, of his stock of dehydrated vegetables and premises used in his business, and all of his books, records, and accounts shall, upon request, be submitted to audit and inspection by the Director.

(e) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him may petition in writing (in triplicate) for relief to the Director, setting forth all pertinent facts and the nature of relief sought. The Director may thereupon take such action as he deems appropriate and such action shall be final.

(f) *Violations.* Any person who wilfully violates any provision of this order or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this order or wilfully conceals a material fact concerning a matter within the jurisdiction of any Department or agency of the United States may be prohibited from receiving or making further deliveries of any material subject to allocation and such further action may be taken against him as the Director deems appropriate, including recommendations for prosecution under section 35a of the Criminal Code (18 U. S. C. 1940 ed. 80), under paragraph 5 of Section 301 of Title III of the Second War Powers Act, and under any and all other applicable laws.

(g) *Communications to the Department of Agriculture.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to the Director of Food Distribution, United States Department of Agriculture, Washington, D. C. Ref: FD-30.

(h) *Effective date.* This order shall be effective on March 21, 1943, as of 12:01 a. m., e. w. t.

(E.O. 9280, 7 F.R. 10179)

Issued this 19th day of March 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-4259; Filed, March 19, 1943;
12:07 p. m.]

[FDO 80-1]

PART 1406—DEHYDRATED FRUIT, VEGETABLES, AND SOUPS

PROCESSORS OF DEHYDRATED VEGETABLES REQUIRED TO KEEP RECORDS

Pursuant to the authority vested in me by Food Distribution Order 30, dated March 19, 1943, issued pursuant to Executive Order 9280, dated December 5, 1942, and to effectuate the purposes of such orders, *It is hereby ordered*, As follows:

§ 1406.2 *Records required of processors of dehydrated vegetables.* (a) Processors of dehydrated vegetables shall keep and preserve, for not less than two years, accurate records sufficient to show their inventory of all dehydrated vegetables by commodities and styles (for example, shredded, sliced, diced) on hand on the effective date hereof; simi-

lar inventories of all dehydrated vegetables on hand at the close of each calendar month; production of dehydrated vegetables by commodities and styles during each calendar month; and shipments and sales of dehydrated vegetables by commodities, quantities, and styles, including names and addresses of consignees and purchasers. (Record keeping requirements approved by the Bureau of the Budget.)

(b) This order shall be effective on March 21, 1943, as of 12:01 a. m., e. w. t. (E.O. 9280, 7 F.R. 10179; F.D.O. No. 30, supra)

Issued this 19th day of March 1943.

ROY F. HENDRICKSON,
Director.

[F. R. Doc. 43-4258; Filed, March 19, 1943;
12:07 p. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 4614]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

CHARLOTTE BRANDENBURG

§ 3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product or service: § 3.6 (x) Advertising falsely or misleadingly—Results.* In connection with offer, etc., of respondent's "Electro Magnetic Nerve Vitalizer" or "Electro Magnetic Vibrator," or other similar device or apparatus, and among other things, as in order set forth, disseminating, etc., any advertisements by means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of respondent's said device, which advertisements represent, directly or through inference, that respondent's device (1) has any therapeutic value in the treatment of any disease or condition of the human body; (2) will assist nature in rebuilding new cells or tissue, reactivate the glands, or improve internal secretions; (3) has any therapeutic value in the treatment of paralysis, arthritis, neuralgia, apoplexy, hysteria, insanity, locomotor ataxia, St. Vitus dance, rheumatism, hardening of the arteries, infantile paralysis, or other specified ailments and conditions; or (4) has any value in eliminating the causes of disease or that its use will maintain health in normal persons or restore health in sick persons; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C. sec. 45b) [Cease and desist order, Charlotte Brandenburg, Docket 4614, March 13, 1943]

3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product or service: § 3.6 (x) Advertising falsely or misleadingly—Results.* In connection with offer, etc., of respondent's "Electro Magnetic Nerve Vitalizer" or "Electro Magnetic Vibrator," or other similar device or apparatus, and among other things, as in order set forth, disseminating, etc., any advertisements by

means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of respondent's said device, which advertisements represent, directly or through inference, that the use of respondent's device (1) will feed or revive the entire system or beneficially affect the nerve centers; (2) will relax or stimulate the nerves or have any beneficial effect upon any part of the nervous system; or (3) has any effect upon any condition of the blood or that it will promote or increase circulation, equalize the distribution of blood, or improve its quality; or (4) that use thereof has any beneficial effect in soothing or regulating the stomach, aiding digestion, or stimulating the flow of digestive juices or that it will improve the assimilation or elimination of food or relieve or correct constipation; or (5) that use thereof has any therapeutic value or beneficial effect upon congested conditions or that it will relieve pain, soreness, or inflammation; or (6) that use thereof will defer hardening of the arteries, reduce blood pressure, deter apoplexy, aid in restoring normal productive power, assist the bowels and kidneys to function properly, stimulate the action of the liver, strengthen or stimulate heart action, tear down diseased tissue, or have any value in the treatment of any disease or condition of the bladder; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C. sec. 45b) [Cease and desist order, Charlotte Brandenburg, Docket 4614, March 13, 1943]

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 13th day of March, A. D. 1943.

This proceeding having been heard by the Federal Trade Commission on the complaint of the Commission, answer of the respondent, testimony and other evidence in support of and in opposition to the allegations of the complaint taken before a trial examiner of the Commission theretofore duly designated by it, report of the trial examiner upon the evidence, and briefs filed in support of the complaint and in opposition thereto; and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Charlotte Brandenburg, and her representatives, agents, and employees, directly or through any corporate or other device in connection with the offering for sale, sale, or distribution of her device or apparatus designated as "Electro Magnetic Nerve Vitalizer" or "Electro Magnetic Vibrator" or any other device or apparatus of substantially similar composition or construction or possessing substantially similar properties, whether sold under the same name or under any other name, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement by means of the United States mails or by any means in commerce as "commerce" is defined in the Federal Trade Commission Act which advertisement represents directly or through inference,

a. That respondent's device has any therapeutic value in the treatment of any disease or condition of the human body.

b. That the use of respondent's device will feed or revive the entire system or beneficially affect the nerve centers,

c. That the use of respondent's device will relax or stimulate the nerves or have any beneficial effect upon any part of the nervous system.

d. That the use of respondent's device has any effect upon any condition of the blood or that it will promote or increase circulation, equalize the distribution of blood, or improve its quality.

e. That the use of respondent's device has any beneficial effect in soothing or regulating the stomach, aiding digestion, or simulating the flow of digestive juices or that it will improve the assimilation or elimination of food or relieve or correct constipation.

f. That the use of respondent's device has any therapeutic value or beneficial effect upon congested conditions or that it will relieve pain, soreness, or inflammation.

g. That respondent's device will assist nature in rebuilding new cells or tissue, reactivate the glands, or improve internal secretions.

h. That respondent's device has any therapeutic value in the treatment of paralysis, arthritis, neuralgia, apoplexy, hysteria, insanity, locomotor ataxia, St. Vitus dance, rheumatism, sore spots, contracted muscles, insomnia, hardening of the arteries, prostate gland trouble, lumbago, catarrh, head colds, influenza, writer's cramp, infantile paralysis, or deterioration of the tissues.

i. That the use of respondent's device will defer hardening of the arteries, reduce blood pressure, deter apoplexy, aid in restoring normal productive power, assist the bowels and kidneys to function properly, stimulate the action of the liver, strengthen or stimulate heart action, tear down diseased tissue, or have any value in the treatment of any disease or condition of the bladder.

j. That respondent's device has any value in eliminating the causes of disease or that its use will maintain health in normal persons or restore health in sick persons.

2. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase in commerce as "commerce" is defined in the Federal Trade Commission Act, of respondent's device which advertisement contains any of the representations prohibited in paragraph 1 hereof and the respective subdivisions thereof.

It is further ordered, That the respondent shall, within sixty (60) days after service upon her of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which she has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 43-4258; Filed, March 19, 1943;
11:48 a. m.]

[Docket No. 4705]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

SALLY'S FURS, INC.

§ 3.6 (a) *Advertising falsely or misleadingly—Business status, advantages or connections of advertiser—Stock.* In connection with offer, etc., in commerce, of respondent's fur garments, and among other things, as in order set forth, representing, directly or by implication, that respondent's stock of furs has a market value of \$500,000, unless such stock does in fact have such value; or making any other exaggerated claims or statements concerning the value or magnitude of respondent's stock of merchandise; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Cease and desist order, Sally's Furs, Inc., Docket 4705, March 15, 1943].

§ 3.6 (j 10) *Advertising falsely or misleadingly—History of product or offering: § 3.6 (m 10) Advertising falsely or misleadingly—Manufacture or preparation: § 3.6 (t) Advertising falsely or misleadingly—Qualities or properties of product or service.* In connection with offer, etc., in commerce, of respondent's fur garments, and among other things, as in order set forth, advertising, describing, offering for sale, or selling fur garments as "Hollywood Styled", unless such garments are in fact styled or designed in Hollywood, California, or are copies of models of coats styled or designed in Hollywood, California; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Cease and desist order, Sally's Furs, Inc., Docket 4705, March 15, 1943].

§ 3.6 (a) *Advertising falsely or misleadingly—Business status, advantages or connections of advertiser—Producer status of dealer or seller—Manufacturer.* In connection with offer, etc., in commerce, of respondent's fur garments, and among other things, as in order set forth, representing, through the use of the phrase "Created in our own factory", or through the use of any other phrase of similar import, or in any other manner, that respondent is the manufacturer of its fur garments, unless and until respondent does in fact own, operate or control the factory wherein such garments are made; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Cease and desist order, Sally's Furs, Inc., Docket 4705, March 15, 1943].

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 15th day of March, A. D. 1943.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and a stipulation as to the facts entered into by and between counsel for the Commission and counsel for the respondent, which provides among other things, that without further evidence or other intervening procedure, the Commission may issue and serve upon respondent herein, Sally's Furs, Inc., a corporation, findings as to the facts and conclusion based thereon

and an order disposing of the proceeding, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered That the respondent, Sally's Furs, Inc., a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of its fur garments in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that respondent's stock of furs has a market value of \$500,000, unless such stock does in fact have such value; or making any other exaggerated claims or statements concerning the value or magnitude of respondent's stock of merchandise.

2. Advertising, describing, offering for sale, or selling fur garments as "Hollywood Styled," unless such garments are in fact styled or designed in Hollywood, California, or are copies of models of coats styled or designed in Hollywood, California.

3. Representing, through the use of the phrase "Created in our own factory," or through the use of any other phrase of similar import, or in any other manner, that respondent is the manufacturer of its fur garments, unless and until respondent does in fact own, operate or control the factory wherein such garments are made.

It is further ordered That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By direction of the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 43-4256; Filed, March 19, 1943;
11:48 a. m.]

[Docket No. 4785]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

CASTLE COMPANY, INC.

§ 3.6 (a) *Advertising falsely or misleadingly—Business status, advantages or connections of advertiser—Producer status of dealer or seller—Manufacturer: § 3.6 (n) Advertising falsely or misleadingly—Nature—Product.* In connection with offer, etc., in commerce, of respondent's jewelry, (1) using the word "Birthstone" or "Garnet" or any other word which is indicative of a precious stone, to designate or describe any substance which is not in fact a precious stone; or (2) using the word "Manufacturers", or any other word of similar import, to designate or describe respondent's business; or otherwise representing, directly or by implication, that respondent manufactures the articles sold by it; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C.,

sec. 45b) [Cease and desist order, Castle Company, Inc., Docket 4785, March 15, 1943]

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 15th day of March, A. D. 1943.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and other evidence in support of and in opposition to the allegations of the complaint taken before a trial examiner of the Commission theretofore duly designated by it, report of the trial examiner upon the evidence and the exceptions to such report, and briefs in support of and in opposition to the complaint (oral argument not having been requested); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Castle Company, Inc., a corporation, and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of respondent's jewelry in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the word "Birthstone" or "Garnet", or any other word which is indicative of a precious stone, to designate or describe any substance which is not in fact a precious stone.

2. Using the word "Manufacturers," or any other word of similar import, to designate or describe respondent's business; or otherwise representing, directly or by implication, that respondent manufactures the articles sold by it.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 43-4257; Filed, March 19, 1943;
11:48 a. m.]

TITLE 30—MINERAL RESOURCES

Chapter III—Bituminous Coal Division

[Docket No. A-1852]

PART 322—MINIMUM PRICE SCHEDULE,
DISTRICT NO. 2

ORDER GRANTING RELIEF, ETC.

Memorandum opinion and order granting temporary relief and conditionally providing for final relief in the matter of the petition of District Board No. 2 for the reestablishment of a shipping point for the coals of the Alice Mine, Mine Index No. 670, of Solar Fuel Company, a code member in District No. 2.

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, was duly filed with this Division

by the above-named party, requesting that Clairton, Pennsylvania, on The Pittsburgh & West Virginia Railway be reestablished as a loading point for the coal produced by Solar Fuel Company, a code member, at its Alice Mine, Mine Index No. 670, located in District No. 2, and that such reestablishment be made retroactively effective to September 11, 1942.

It appears from the original petition that Clairton, Pennsylvania, on The Pittsburgh & West Virginia Railway, which had been previously established as a shipping point for the coals produced at the said Alice Mine, Mine Index No. 670, had been inadvertently deleted as a shipping point in the order issued in Docket No. A-1616 on September 12, 1942. (7 F.R. 7427). It also appears

from the original petition, that the coals produced at the Alice Mine are vitally needed for war purposes, and that such coal must be permitted to ship from Clairton, Pennsylvania, via The Pittsburgh & West Virginia Railway in order to take care of present commitments which require such origination. It also appears that coals from the Alice Mine have always moved from this shipping point over this railroad.

It further appears that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth, and that such relief should be made retroactively effective to September 12, 1942; that no petitions of intervention have been filed with the Division in the above-entitled matter, and that the following action is

necessary to effectuate the purposes of the Act.

Therefore, it is ordered, That, pending final disposition of the above-entitled matter, temporary relief is granted as follows: § 322.7 (Alphabetical list of code members) is amended by adding thereto Supplement R-I, and § 322.9 (Special prices—(c) Railroad fuel) is amended by adding thereto Supplement R-II, which supplements are hereinafter set forth and hereby made a part hereof.

It is further ordered, That said temporary relief be, and the same hereby is, made retroactively effective to September 12, 1942, the date preceding that on which the said order in Docket No. A-1616 was issued.

It is further ordered, That pleadings

in opposition to the original petition in

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 2

Notes: The material contained in these supplements is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 322, Minimum Price Schedule for District No. 2 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 322.7 Alphabetical list of code members—Supplement R-I

[Alphabetical listing of code members having railway loading facilities, showing price classification by size group Nos.]

Mine index No.	Code member	Mine name	Seam	Sub-Dist. No.	Shipping point	Railroad							Freight origin group No.							Size group Nos.						
						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16					
670	Solar Fuel Co.	Alice.....	Pittsburgh.....	7	Wylls, Pa., Clifton, Pa., Cauden Pts., Pa.	Union P&WV.....	(f)	C	C	F	F	F	F	(f)	(f)	(f)	(f)	(f)	(f)							
						River.....	(f)	C	C	F	F	F	F	(f)	(f)	(f)	(f)	(f)	(f)							

Notes.—All mines in freight origin group No. 46 will take the same necessary or permissible adjustments as freight origin group No. 76.

†Indicates no classifications effective for these size groups.

§ 322.9 Special prices—(c) Railroad fuel—Supplement R-II. In § 322.9 (c) in Minimum Price Schedule, add the mine index number in group shown. Group No. 2: 670.

[Docket No. A-1875]

PART 322—MINIMUM PRICE SCHEDULE, DISTRICT NO. 2

ORDER GRANTING RELIEF, ETC.

Order granting temporary relief and conditionally providing for final relief in the matter of the petition of District Board No. 2 for changes in shipping points for the coals of certain mines in District No. 2.

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting changes in the Freight Ori-

tions to stay, terminate or modify the temporary relief herein granted may be filed with the Division within forty-five (45) days from the date of this order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this order, unless it shall otherwise be ordered.

Dated: March 4, 1943.

[SEAL.] DAN H. WHEELER,
Director.

It is further ordered, That the relief herein granted may be filed with the Division within forty-five (45) days from the date of this order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this order, unless it shall otherwise be ordered.

Dated: March 4, 1943.

[SEAL.] DAN H. WHEELER,
Director.

¹Indicates additional shipping point.

NOTE.—The above rates are applicable only via the respective Freight Origin Group, Shipping Points, and Railroads shown for the mine. Freight Origin Group previously assigned to this mine is no longer applicable.

Railroads shown for the mine. Freight Origin Group previously assigned to this mine is no longer applicable.

[F. R. Doc. 43-4177; Filed, March 18, 1943; 10:44 a. m.]

gin Group Numbers and the shipping points for the coals of certain mines in District No. 2; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth; and No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act:

It is ordered, That, pending final dis-

position of the above-entitled matter, to stay, terminate or modify the tempo-

rary relief herein granted may be filed with the Division within forty-five (45) days from the date of this order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall become final sixty (60) days from the date of this order, unless it shall otherwise be ordered.

Dated: March 4, 1943.

[SEAL.] DAN H. WHEELER,
Director.

TEMPORARY AND CONDITIONALLY FINAL EFFECTIVE MINIMUM PRICES FOR DISTRICT NO. 2

NOTE: The material contained in this supplement is to be read in the light of the classifications, prices, instructions, exceptions and other provisions contained in Part 322, Minimum Price Schedule for District No. 2 and supplements thereto.

FOR ALL SHIPMENTS EXCEPT TRUCK

§ 322.7 Alphabetical list of code numbers—Supplement B.

[Alphabetical listing of code numbers having railway loading facilities showing price classification by size group Nos.]

Mine index No.	Code member	Mine name	Seam	Sub-district No.	Shipping point	Railroad		Freight origin group No.		Size group Nos.												
						Point	Marion, Pa.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
3627	Ash & Smith Coal Company (Harold A. Smith)	Elias #3	Swickley.....	3	Elkland, Pa.	B&O.....	PRR.....	111	C	C	C	F	F	F	F	F	F	F	F	F	F	F
1171	Brown, F. L. (W. F. Brown) ¹	Pittsburgh.....	Pittsburgh.....	7	Elkland, Pa.	WA.....	WA.....	111	J	J	H	H	H	H	H	H	H	H	H	H	H	H
138	Jackson, F. L. (M. K. B. Coal Co. (Joseph J. Baer)) ¹	Boyd 1.....	Maloo 1.....	1	Mathord, Pa.	PA.....	PA.....	111	J	J	F	E	E	E	E	E	E	E	E	E	E	E
2513	Strub, E. A. ¹	Sewickley.....	Struth 1	3	Evans, Station, Penna.	PA.....	PA.....	111	J	J	H	H	H	H	H	H	H	H	H	H	H	H
460	Pennsylvania Coal Company (Myers Nobel)	M. Kittanning.....	Harrisville, Pa.	1	Sackett, Pa.	B&LE.....	B&LE.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E
280	Pennsylvania Coal Company (Myers Nobel)	Sturge 12.....	Pittsburgh.....	3	Comish, Pa.	PA.....	PA.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E
449	Pennsylvania Coal Company (Myers Nobel)	Rider (Strip).....	Pittsburgh.....	3	Crystal, Pa.	PA.....	PA.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E
					Comish, Pa.	PA.....	PA.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E
					Crystal, Pa.	PA.....	PA.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E
					B&O.....	PA.....	PA.....	120	F	F	E	E	E	E	E	E	E	E	E	E	E	E

¹Indicates no classifications effective for these size groups.²Indicates change in shipping point.³Indicates change in F.O. G.

NOTE.—The above classifications for the above mine index numbers are applicable only via the respective Freight Origin Groups, Shipping Points, Railroads and Railroad Fuel Groups shown for the respective mines. Freight Origin Points, Shipping Points, Railroads and Railroad Fuel Groups shown in previous schedules are hereby deleted.

NOTE.—For railroad fuel prices add those mine index numbers to the respective groups in 322.9 (c) in Minimum Price Schedule No. 1. Group No. 2: 1171; Group No. 7: 380, 449; Group No. 8: 2513, 3027; Group No. 12: 138; Group No. 16: 460.

[F. R. Doc. 43-4175; Filed, March 18, 1943; 10:44 a. m.]

TITLE 32—NATIONAL DEFENSE
Chapter VI—Selective Service System

[Order 92]

VINELAND PROJECT, N. J.

DESIGNATION FOR CONSCIENTIOUS OBJECTORS

I, Lewis B. Hershey, Director of Selective Service, in accordance with the provisions of section 5 (g) of the Selective Training and Service Act of 1940 (54 Stat. 885) and pursuant to authorizations and direction contained in Executive Order No. 8675 dated February 6, 1941, hereby designate the Vineland Project to be work of national importance, to be known as Civilian Public Service Camp No. 92. Said project, located at Vineland, Cumberland County, New Jersey, will be the base of operations for work at the Vineland Training School, an institution under the State mental hospital system of New Jersey, and registrants under the Selective Training and Service Act of 1940, who have been classified by their local boards as conscientious objectors to both combatant and noncom-

Chapter VIII—Board of Economic Warfare
Subchapter B—Export Control
[Amendment 33]PART 802—GENERAL LICENSES
MISCELLANEOUS AMENDMENTS

Paragraph (a) of § 802.2, General license numbers, is hereby amended by assigning the following general license numbers to the following countries:

British Somaliland..... 111
Eritrea..... 112
Ethiopia..... 113
French Somaliland..... 114
Malta and Gozo..... 115

Paragraph (a) of § 802.3, General license country groups, is hereby amended by deleting the following named countries from the list of countries designated in Group K:

LEWIS B. HERSHY,
Director.

Aden

Anglo-Egyptian Sudan

March 16, 1943.

[F. R. Doc. 43-4212; Filed, March 16, 1943; 1:41 p. m.]

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Delegation of Authority No. 40, 8 F.R.
1938)

Dated: March 17, 1943.

A. N. ZIEGLER,
Acting Chief of Office,
Office of Exports.

[F. R. Doc. 43-4253; Filed, March 19, 1943;
11:24 a. m.]

Chapter IX—War Production Board

Subchapter B—Director General for Operations

AUTHORITY: Regulations in this subchapter issued under P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 719; sec. 2 (a), Pub. Law 871, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.

PART 1010—SUSPENSION ORDERS

[Suspension Order S-254]

PHILADELPHIA WARWICK CO.

The Philadelphia Warwick Company is a corporation engaged in the business of operating the Warwick Hotel in Philadelphia, Pennsylvania. Subsequent to December 5, 1942, the Philadelphia Warwick Company began construction and ordered, purchased and withdrew from inventory, materials to begin construction on the remodeling of a cocktail lounge known as the "Savoy Room", in the Warwick Hotel without authorization from the Director General for Operations. The estimated cost of construction of this project exceeded \$1,000.00 and the remodeling constituted a violation of Conservation Order L-41. At the time this remodeling was undertaken, the Philadelphia Warwick Company was familiar with the provisions of Conservation Order L-41. The Company elected to proceed with the project adopting an unreasonable and unjustifiable interpretation of the order.

Since this construction was begun in violation of Conservation Order L-41, it cannot be allowed to continue. In view of the foregoing, *It is hereby ordered, That:*

§ 1010.254 Suspension Order S-254.

(a) Neither the Philadelphia Warwick Company, nor any other person shall order, purchase, accept delivery of, withdraw from inventory, or in any manner secure or use material or construction plant in order to continue or complete construction of the remodeling of the cocktail lounge, known as the "Savoy Room" in the Hotel Warwick, Philadelphia, Pennsylvania, except as specifically authorized by the Director General for Operations.

(b) Nothing contained in this order shall be deemed to relieve the Philadelphia Warwick Company from any restriction, prohibition, or provision contained in any other order or regulation of the Director General for Operations, except in so far as the same may be inconsistent with the provisions hereof.

(c) This order shall take effect on March 20, 1943.

Issued this 18th day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-4214; Filed, March 18, 1943;
5:03 p. m.]

PART 1152—METAL WINDOWS

[Limitation Order L-77, as Amended March 19, 1943]

Section 1152.1 *General Limitation Order L-77* is hereby amended to read as follows:

§ 1152.1 General Limitation Order L-77—(a) Definitions. For the purposes of this order:

(1) "Metal window" means any metal sash, metal casement or other metal framework of any type produced for installation in an opening, constructed in the side of a building primarily to admit light, and any component part of such a metal sash, metal casement or metal framework.

(2) "Manufacture" means to manufacture, fabricate or assemble a metal window.

(3) "Put in process" means the first change by a manufacturer in the form of material from that form in which it is received by him.

(b) *Restrictions.* On and after the 3d day of April 1943, notwithstanding any contract, agreement, or preference rating, no person shall manufacture any metal window except:

(1) To fill an order from the Army or Navy of the United States, the United States Maritime Commission, or the War Shipping Administration when such metal window is required by specifications (including performance specifications) applicable to such order; or

(2) To fill an order bearing a preference rating of AA-3 or better; or

(3) A metal storm window provided the material for such metal storm window was put in process prior to the 3d day of April 1943.

Nothing in this order shall supersede the directive for wartime construction, dated May 20, 1942 issued by the Chairman of the War Production Board, the Secretary of War, and the Secretary of the Navy, or the "List of Prohibited Items for Construction Work" dated June 29, 1942, issued by the Army and Navy Munitions Board as amended from time to time.

(c) *Records.* All persons affected by this order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production and sales.

(d) *Audit and inspection.* All records required to be kept by this order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(e) *Reports.* Each manufacturer to whom this order applies shall execute and file with the War Production Board such reports and questionnaires as said Board shall from time to time request.

(f) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further delivery of, or from processing or using, material under

priority control and may be deprived of priorities assistance.

(g) *Appeals.* Any appeal from the provisions of the order shall be filed on Form PD-500 with the Field Office of the War Production Board for the district in which is located the plant or branch of the appellant to which the appeal relates.

(h) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations of the War Production Board as amended from time to time.

(i) *Routing of correspondence.* Reports to be filed and other communications concerning this order shall be addressed to the War Production Board, Building Materials Division, Washington, D. C. Ref.: L-77.

Issued this 19th day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

[F. R. Doc. 43-4250; Filed, March 19, 1943;
11:20 a. m.]

PART 3157—CONTROLLED SHIPMENTS

[General Transportation Order T-1 as Amended March 19, 1943¹]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of transportation facilities and of certain materials for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3157.1 *General Transportation Order T-1—(a) Definitions.* For the purpose of this order:

(1) "Controlled shipment" means shipment, including reconsignment, of any material on List 1 or 2 annexed hereto, where the shipment is to be made at the time, in the manner and for the distance specified opposite such material in such list.

(2) "Originate" means to load for shipment or to tender or offer to a carrier for shipment.

(3) "Tank car" means any railway tank car having one or more steel tanks from which materials are customarily loaded and unloaded while the tank is on the car.

(4) "Tank truck" means any vehicle designed for highway travel having one or more steel tanks from which materials are customarily loaded and unloaded while the tank is on the truck.

(b) *List 1 materials.* (1) No person shall originate a controlled shipment of any List 1 material, except as specifically authorized or directed by the Director General for Operations.

(2) Any person seeking authorization to originate a controlled shipment of any List 1 material may make application on Form PD-782, or, in emergency, by telegram, containing substantially the information called for by such form.

¹ The effect of this amendment is to amend certain paragraphs in List 1 relating to caustic soda.

(c) *List 2 materials.*—(1) Each person shall report on Form PD-782 on or before the 20th day of each calendar month all shipments of List 2 materials which he then intends to originate during the succeeding calendar month.

(2) Each person shall report on Form PD-782 on or before the 10th day prior to origination any controlled shipment of List 2 materials which he then intends to originate and has not previously reported.

(3) Any person may originate a controlled shipment of List 2 materials reported pursuant to paragraph (c) (1) or (2), unless otherwise specifically directed by the Director General for Operations.

(4) No person shall originate a controlled shipment of any List 2 material which has not been reported pursuant to paragraph (c) (1) or (2), except as specifically directed or authorized by the Director General for Operations. Applications for such authorization may be made by telegram containing substantially the information called for by Form PD-782.

(d) *List 3 materials.* This order does not restrict shipments of List 3 materials, except to the extent that such shipments are controlled shipments of List 1 or List 2 materials.

(e) *Other materials.* On and after March 1, 1943, no person shall originate a shipment by tank car of any material unless:

(1) Specified on List 1, List 2 or List 3; or

(2) Consigned to or for the account of the United States Army, Navy, Maritime Commission or War Shipping Administration, or corresponding Canadian agencies specified in Priorities Regulation No. 14; or unless the material shipped is procured pursuant to the Act of March 11, 1941 (Lend-Lease Act), provided that at the time each such shipment is originated the material is in the form in which it is eventually to be delivered to a foreign country or its representative; or

(3) Specifically authorized by the Director General for Operations upon application by such person on Form PD 782, or, in emergency, upon application by telegram containing substantially the information called for by Form PD-782.

(f) *Carriers.* The provisions of this order shall not apply to any carrier acting in the capacity of a carrier as distinguished from a carrier acting in the capacity of a shipper.

(g) *Miscellaneous provisions.*—(1) *Applicability of priorities regulations.* This order and all transactions affected hereby are subject to all applicable provisions of War Production Board priorities regulations, as amended from time to time.

(2) *Applicability of other orders.* Nothing contained in this order shall be construed to limit the requirements of any other War Production Board order now or hereafter issued.

(3) *Territorial limitations.* This order shall apply only to shipments originating or reconsigned in the forty-eight States and the District of Columbia.

(4) *Appeals.* Any appeal from denials of applications or from directions pur-

suant to this order shall be made by filing a letter in triplicate, referring to the particular action appealed from and stating fully the grounds of the appeal.

(5) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact, or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(6) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C., Ref.: T-1 (specified commodity).

Issued this 19th day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

LISTS ATTACHED TO GENERAL TRANSPORTATION
ORDER T-1

LIST 1 (ZONED SHIPMENTS)

[NOTE: Item 2—Caustic soda and the paragraphs relating to the second and sixth caustic zones were amended March 19, 1943.]

1. *Molasses.* Shipments of 200 miles or more in tank cars or tank trucks, originating on or after March 1, 1943, of blackstrap, invert, edible or hydrol molasses, except shipments of such molasses for the manufacture of yeast or citric acid. The term molasses shall be construed to include the residuum of such molasses.

2. *Caustic soda.* Shipments in tank cars or tank trucks, originating on or after May 1, 1943, from any point in any one of the following zones to a point in any other such zone:

First caustic soda zone: Maine, Massachusetts, Vermont, New Hampshire, Rhode Island, Connecticut and those counties in the State of New York east of and including Monroe, Ontario, Yates, Seneca, Tompkins, Cortland and Broome Counties, but excluding all parts of Metropolitan New York City, as defined in Zone 2.

Second caustic soda zone: Metropolitan New York City, defined as that area including Norwalk and West in Connecticut; counties of Westchester and Rockland and all of New York City and Long Island, in New York State; and all the counties of Bergen, Passaic, Essex, Hudson, Union, and the eastern section of Middlesex, east of a line from Potter to Perth Amboy, in New Jersey. Authorizations by the Director General for Operations will be issued for shipments into this zone from Zones 1 and 3.

Third caustic soda zone. The counties of Orleans, Genesee, Livingston, Steuben, Chemung, Tioga, Schuyler, Niagara, Erie, Wyoming, Allegany, Cattaraugus and Chautauqua, in the State of New York; the counties of Tioga, Bradford, Susquehanna, Wayne, Sullivan, Wyoming, Lackawanna and Pike in the State of Pennsylvania; and those counties in the State of New Jersey north of, but not including, Burlington County; but excluding all parts of Metropolitan New York City, as defined in Zone 2.

Fourth caustic soda zone: Those counties in the State of Pennsylvania not specified in Zone 3 above; those counties in the State of New Jersey south of and including Burlington County; the States of Delaware and Mary-

land; the District of Columbia; those counties in West Virginia north of but not including, Cabell, Lincoln, Kanawha, Clay, Braxton, Webster and Pocahontas Counties, but excluding the city of Nitro, West Virginia (Zone 5); those counties in the State of Virginia north of the James River to Albemarle County, and north of and including Albemarle and Rockingham Counties; South Richmond, Virginia; and those counties in the State of Ohio east and south of, and including, the counties of Cuyahoga, Medina, Wayne, Holmes, Coshocton, Muskingum, Perry, Hocking, Vinton, Jackson, Pike, Highland, Brown, Clermont and Hamilton.

Fifth caustic soda zone: The city of Nitro, West Virginia. Authorizations by the Director General for Operations will be issued for shipments into this Zone from Zones 4 and 8.

Sixth caustic soda zone: Those counties in the State of Ohio not included in Zone 4 above; the States of Michigan, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Nebraska, North Dakota, and South Dakota; Kansas City in Missouri and Kansas; and the city of St. Louis, Missouri.

Seventh caustic soda zone: The city of Memphis, Tennessee. Authorizations by the Director General for Operations will be issued for shipments into this Zone from Zones 6, 8 and 11.

Eighth caustic soda zone: Those counties in the States of Virginia and West Virginia not included in Zone 4 above (also excluding South Richmond, Virginia, and Nitro, West Virginia); the States of Kentucky, North Carolina and South Carolina; those counties in the State of Georgia north of and including the counties of Floyd, Bartow, Cherokee, Forsyth, Hall, Jackson, Madison and Elbert; and the State of Tennessee; except the cities of Memphis, Chattanooga, and Nashville.

Ninth caustic soda zone: The city of Chattanooga in Tennessee. Authorizations by the Director General for Operations will be issued for shipments into this Zone from Zones 8 and 10.

Tenth caustic soda zone: The States of Florida, Alabama, Mississippi, Louisiana, and that part of Georgia not included in Zone 8 above.

Eleventh caustic soda zone: The city of Nashville, Tennessee; the States of Texas, Oklahoma, Arkansas, Missouri and Kansas; except the cities of St. Louis and Kansas City.

Twelfth caustic soda zone: The States of Montana, Idaho, Wyoming, Utah, Colorado, Arizona, New Mexico, and those counties in the State of Nevada east of and including the counties of Elko, Lander and Nye.

Thirteenth caustic soda zone: The States of Washington, Oregon and California and those counties in the State of Nevada not included in Zone 12 above.

LIST 2 (REPORTED SHIPMENTS)

1. *Acetone.* Shipments of any distance in tank cars, or of more than 200 miles in tank trucks, originating on or after March 1, 1943.

2. *Butyl acetate.* Shipments of any distance in tank cars, or of more than 200 miles in tank trucks, originating on or after March 1, 1943.

3. *Corn syrup (glucose).* Shipments of any distance in tank cars, or of more than 200 miles in tank trucks, originating on or after March 1, 1943.

4. *Ethyl acetate.* Shipments of any distance in tank cars, or of more than 200 miles in tank trucks, originating on or after March 1, 1943.

5. *Ethyl alcohol (including denatured ethyl alcohol).* Shipments of any distance in tank cars, or of more than 250 miles in tank trucks, originating on or after March 1, 1943, except shipments of ethyl alcohol (including denatured ethyl alcohol) owned or shipped by Defense Supplies Corporation, or shipments of specially denatured ATU Formula No. 18.

6. Molasses: Shipments of any distance in tank cars, or of more than 200 miles in tank trucks originating on or after March 1, 1943, of beet molasses shipped for any purpose, or of blackstrap, invert, edible or hydrol molasses shipped for the manufacture of yeast or citric acid. The term molasses shall be construed to include the residuum of such molasses.

LIST 3 (OTHER SHIPMENTS)

1. On and after March 1, 1943, no shipments in tank cars other than of the following materials:

Acetaldehyde
Acetic acid, glacial or liquid
Acetic anhydride
Acetone
Acids
Acrylonitrile
Alcohols
Aluminum chloride
Aluminum sulfate
Ammoniacal liquor or aqua ammonia
Ammonium nitrate liquor
Ammonia sulphide
Ammonium thiocyanate liquor
Amyl acetate
Amyl chloride
Anhydrous ammonia
Aniline oils
Anti-freezing compounds
Arsenic (arsenious acid)
Arsenic trioxide
Asphalt
Aviation gasoline (of Octane No. 87, 91, and 100) and its component parts, such as:
Alkylate
Aromatic fractions for aviation
Aviation base stocks
Butylene
Codimer
Isobutane
Isobutylene
Iso octane
Isopentane (pentane)
Hydrocodimer
Babassu oil
Benzol (benzene)
Brake fluid
Butadiene
Butanes
Butenes
Butyl acetate
Butyl aldehyde
Butyraldehyde
Butylamines
Calcium chloride, liquid
Calcium hypochlorite (chlorinated lime)
Carbon dioxide, liquefied
Carbon bisulfide (carbon disulfide)
Carbon tetrachloride
Castor oil
Caustic potash (potassium hydroxide)
Caustic soda (sodium hydroxide)
Chemicals, other, shipped as "chemicals NO1EN"
Chestnut tanning extract (tannic acid)
Chlorine, liquid
Chlorobenzol (Monochlorobenzol)
Chlorosulphuric acid
Coal tar pitch
Coconut oil (copra)
Core compound, foundry
Corn oil
Corn syrup (glucose)
Cottonseed oil
Creosote oil
Creosote-tar solution
Cresylic acid (cresol)
Crude tar oil
Crude naphthalene
Crude tar acid
Cumene (isopropylbenzene or isopropylbenzine)

¹Controlled as List 1 or List 2 materials to the extent defined in List 1 or List 2.

²Subject to such orders as may be issued by the Petroleum Administrator for War.

Diacetone
Dibutyl, diethyl, or dimethyl phthalate
Dichlorodifluoromethane
Dichloromonofluoromethane
Dichlorotetrafluoroethane
Diethyl sulphate
Diethylene glycol
Dimethylaniline
Dinitrochlorobenzol
Dioctyl phthalate
Diphenyl
Diphenylamine
Dye-Intermediates
Ester gums
Ether (ethyl, dichloroethyl, or isopropyl)
Ethyl acetate
Ethyl chloride
Ethylamines
Ethylene bromide or dibromide
Ethylene chlorhydrin
Ethylene dichloride
Ethylene glycol
Ethylene oxide
Ethyl methyl ketone (methyl ethyl ketone)
Ethyl hexyl alcohol
Fatty acid
Fatty acid esters
Fertilizer ammoniating solution
Fish or sea animal oil
Formaldehyde, liquid
Formamide
Formic acid
Furfural
Gas drip oil, including crude
Grease (inedible animal)
Glycerine
Hexa methylene diammonium adipate solution
Hydrochloric acid (muriatic)
Hydrofluoric acid
Hydrofluosilicic acid
Hydrogen dioxide or peroxide
Hydro (corn sugar final molasses)
Ink, printing
Iron chloride (ferric)
Isobutyl acetate
Isopropyl acetate
Lactic acid
Lacquer solvents
Lard
Lard oil
Latex
Lead tetraethyl
Lignin liquor
Lime, chlorinated
Lime and sulfur solution
Lime sludge or slurry
Linseed oil
Liquefied petroleum gases
Magnesium chloride
Methanol
Methyl acetate
Methyl acetone
Methyl chloride
Methyl formate
Methyl isobutyl ketone
Molasses (beet blackstrap, edible, and molasses residuum)
Monofluorotrichloromethane
Milk
Naphtha
Naphtha solvent
Naphthalene, including crude
Neutral oil
Nitrating acid or mixed acid
Nitrile acid
Nitrobenzol
Nitrocellulose solution
Nitrogen fertilizer solution (including crude)
Nylon salt solution
Oil foots or sediment
Oiticica oil
Oleic acid (red oil)
Orthodichlorobenzol
Oxygen, liquid
Oxidizing salt solution
Oil tar
Oil tar oil
Paint oil compounded
Paint, lacquer, varnish, gum, resin, or pyroxylin plasticizers or solvents
Paint, lacquer, or varnish, increasing, reducing, removing or thinning compounds
Paints, stains, varnishes or lacquers
Palm oil
Paraffin wax, chlorinated
Paraldehyde
Peanut oil
Pentane
Perchloric acid
Perchloroethylene
Petroleum
Petroleum products (not otherwise listed)
Phenol (carbolic acid)
Phosphoric acid
Phosphorous
Phosphorus oxychloride
Phosphorous trichloride
Pickles
Pilargonic acid
Pinene
Pine oils
Pitch, pine tar
Pitch, rosin
Plasticizers
Pork fat, rendered
Powder, smokeless, in water
Potassium silicates
Preservatives, wood
Propanes
Propionic acid
Proprietary anti-freeze preparations
Propylene dichloride
Propylene glycol
Pulp mill liquid
Pyridine
Pyroxylin solution
Pyroxylin waterproofing liquid
Pyroligneous acid
Rapeseed oil
Resin
Resins, synthetic
Road tar
Rosin oil
Rosin size
Rubber solvent
Sludge acid
Soap stock
Sodium aluminate
Sodium bichromate
Sodium bisulphite
Sodium chromate solution
Sodium hydrosulfide liquid (sodium sulphide)
Sodium, metallic
Sodium nitrate
Sodium nitrite
Sodium hypochlorite
Sodium phenolates
Sodium silicates
Sodium sulfate
Sodium sulfide, liquid
Sodium sulfite
Soybean oil
Stearine
Styrene
Sulfur dioxide, anhydrous
Sulfuric acid
Sulphate, black liquor skimmings
Sunflower oil
Tall oil
Tallow
Tar acid, coal
Tar acid, oil
Tar, coal
Tar, pine
Tar, wood (hardwood tar)
Tetrachloroethane
Toluol (Toluene)
Trichlorobenzol
Trichloroethylene
Tricresyl phosphate
Tung oil (chinawood oil)
Turpentine, including crude
Turpentine, oil (spirits of turpentine: turps)
Unfinished alcohol
Unfinished grain spirits (suitable only for redistribution)
Vinegar
Vinyl acetate
Waste waterproofing liquid

Water not including mineral, flavored or phosphated
 Water gas tar
 Xylo (xylene)
 Zinc chloride, liquid
 Zinc sulfate, liquid

INTERPRETATION

(a) Paragraph (e) (2) does not afford any exemption from the provisions of paragraphs (b) and (c) with respect to controlled shipments of any material on List 1 or List 2.

(b) Any distance or mileage which is specified in said order or on any List annexed thereto, shall, with respect to shipments by tank car, be measured over the shortest available published rail tariff route, whether or not the particular shipment is billed or transported over such route. (Issued Feb. 9, 1943.)

[F. R. Doc. 43-4251; Filed, March 19, 1943; 11:20 a. m.]

PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[CMP Regulation 5A]

MAINTENANCE, REPAIR AND OPERATING SUPPLIES FOR GOVERNMENTAL AGENCIES AND INSTITUTIONS

§ 3175.5a *CMP Regulation 5A*—(a) *Purpose and scope.* (1) The purpose of this regulation is to provide for governmental agencies and for institutions a uniform procedure for obtaining maintenance, repair and operating supplies, both in the case of controlled materials obtained by use of allotment symbols under the Controlled Materials Plan and in the case of materials or products obtained by preference ratings. Any agency or institution affected by this regulation requiring maintenance, repair and operating supplies, in any form, in such quantities as are available from warehouses or distributors under CMP Regulation No. 4, or at retail without preference ratings or allotments, may obtain the same without using the procedure provided in this regulation, but subject to all applicable limitations in War Production Board regulations and orders.

(2) The provisions of this regulation shall not apply to any governmental agency or to any institution to the extent that it is engaged in the following services or industries: gas, light, power, water or central heating, or to communications (in so far only as communications are provided for in Order P-130 and P-132).

(b) *Definitions.* The following definitions shall apply for the purpose of this regulation.

(1) "Governmental agency" means any governmental agency in the United States, its territories or possessions, federal, state, county, municipal or local except claimant agencies as defined in CMP Regulation No. 1 and except any agency specifically excluded from this regulation by order of the War Production Board.

(2) "Institution" means any institution within the United States, its territories or possessions, public or private, including but not limited to, schools, colleges, libraries, hospitals, welfare establishments and churches.

(3) "Maintenance" means the minimum upkeep necessary to continue a

facility in sound working condition, and "repair" means the restoration of a facility to sound working condition when the same has been rendered unsafe or unfit for service by wear and tear, damage, failure of parts or the like: *Provided*, That neither maintenance nor repair shall include the improvement of any plant, facility or equipment, by replacing material which is still usable, with material of a better kind, quality or design, except as provided in paragraph (b) (5) of this regulation.

(4) "Operating supplies" means any material or product which (i) is essential for conducting any activity or rendering any service by any governmental agency or by any institution and (ii) is consumed in the course of conducting such activity or rendering such service and (iii) does not constitute capital equipment. Materials included in any finished product produced by a governmental agency or an institution which are normally chargeable to operating expense may also be treated as operating supplies.

(5) In addition, there may be included as maintenance, repair and operating supplies, minor items of productive capital equipment and minor capital additions or replacements not exceeding \$100 (excluding cost of labor): *Provided*, That no capital equipment, addition or replacement aggregating more than \$100 in cost shall be subdivided for the purpose of coming within this definition: *And provided further*, That the acquisition and use of materials for construction shall be subject to the provisions of Conservation Order L-41, as amended from time to time.

(6) No item specified in List A attached shall be included as maintenance, repair or operating supplies, even if it would otherwise come within the foregoing definitions.

(7) Production material required by a governmental agency or an institution for physical incorporation in products manufactured by it, which products it sells for use as maintenance, repair or operating supplies, may be obtained as provided in CMP Regulation No. 1 and in CMP Regulation No. 3, and such production materials shall not be deemed maintenance, repair or operating supplies as to such agency or institution.

(c) *Controlled materials.* (1) Subject to the quantity restrictions contained in paragraph (f) of this regulation, any governmental agency or any institution engaged in any activity or rendering any service listed in Schedule I or Schedule II attached to this regulation, requiring delivery after March 31, 1943, of any controlled material (as defined in CMP Regulation No. 1) except aluminum, for maintenance, repair or operating supplies in the conduct of such activity or service, may obtain the same by placing on or accompanying its delivery order with substantially the following certificate (or the optional standard certificate provided in CMP Regulation No. 7) signed manually or as provided in Priorities Regulation No. 7:

CMP allotment symbol MRO 5A—The undersigned certifies, subject to the criminal penalties for misrepresentation contained in section 35 (A) of the United States Criminal

Code, that the controlled materials covered by this order are required for essential maintenance, repair or operating supplies, to be used for a purpose listed in Schedule I or Schedule II of CMP Regulation No. 5A and that delivery thereof will not result in a violation of the quantity restrictions contained in paragraph (f) of said regulation.

An order bearing such certificate shall be deemed an authorized controlled material order and shall have the same status as an order bearing an allotment number under all applicable CMP regulations unless otherwise expressly provided.

(2) Any governmental agency or any institution engaged in any activity, or rendering any service listed in Schedule I or II, requiring aluminum in any of the forms or shapes constituting a controlled material, for essential maintenance, repair or operating supplies, where the use of other materials for the purpose is impracticable, may obtain the same from a controlled materials producer or from an approved aluminum warehouse, in amounts of not to exceed 100 pounds from all sources during any one calendar quarter: *Provided*, That any order placed pursuant to this paragraph (c) (2) shall be endorsed with or accompanied by substantially the following certificate (or the optional standard certificate provided in CMP Regulation No. 7) signed manually or as provided in Priorities Regulation No. 7:

The undersigned certifies, subject to the criminal penalties for misrepresentation contained in section 35 (A) of the United States Criminal Code, that the materials covered by this order are required for essential maintenance, repair or operating supplies to be used for a purpose listed in Schedule I or Schedule II of CMP Regulation No. 5A; that the use of other materials for such purpose is impracticable; and that the amount of aluminum covered by this order, together with all other amounts received by, or on order for delivery to the undersigned, from all sources, for such purpose during the same quarter, will not exceed 100 pounds.

Any producer or warehouse receiving an order bearing such certificate shall be entitled to rely thereon and may fill the order, unless he knows or has reason to believe the certificate to be false.

(d) *Preference ratings for maintenance, repair and operating supplies.* (1) Subject to the quantity restrictions contained in paragraph (f) of this regulation, and subject to the restrictions of paragraphs (a) (2) and (g) of this regulation, orders by any governmental agency or institution calling for delivery after March 31, 1943, of maintenance, repair or operating supplies other than controlled materials (regardless of whether such supplies be Class A products, Class B products, or other products or materials) are hereby assigned preference ratings as follows:

(i) AA-1 for maintenance or repair of facilities required for any activity or service listed in Schedule I or for necessary operating supplies for such activity or service;

(ii) AA-2X for maintenance or repair of facilities required for any activity or service listed in Schedule II or for necessary operating supplies for such activity or service;

(iii) A-10 for necessary maintenance or repair facilities required for any activity or service not listed in Schedule I or Schedule II or for necessary operating supplies for any such purpose.

(iv) For maintenance, repair and operating supplies for any building devoted primarily to any service or activity listed in Schedule I or Schedule II, the rating assigned to that service is hereby assigned.

(2) Any agency or any institution which maintains a central stores system where it is impracticable to charge purchases for inventory against a particular service or activity, may establish a scale of percentages for each rating, for each class of items, based upon withdrawals from the central stores system during the calendar year 1942 (or its fiscal year ending nearest to December 31, 1942) by the various agencies and institutions (and departments thereof) and may apply the appropriate percentage of each rating to its purchases for the central stores system.

(3) A preference rating assigned under this paragraph (d) shall be applied only by use of the following certification (or the optional standard certificate provided in CMP Regulation No. 7) in lieu of the endorsement specified in Priorities Regulation No. 3, signed manually or as provided in Priorities Regulation No. 7:

Preference rating _____ (specify rating): MRO 5A. The undersigned certifies, subject to the criminal penalties for misrepresentation contained in section 35 (A) of the United States Criminal Code, that the items covered by this order are required for essential maintenance, repair or operating supplies; that this order is rated and placed in compliance with CMP Regulation No. 5A and that the delivery requested will not result in a violation of the quantity restrictions contained in paragraph (f) of said regulation.

A delivery order bearing the above certification shall have the status of a delivery order bearing a preference rating with an allotment symbol as provided in CMP Regulation No. 3.

(e) *Departments engaged in several activities.* If any governmental agency or any institution, or any department or unit thereof, is engaged in several activities which are not assigned the same preference rating and if it is impracticable to apportion maintenance, repair and operating supplies between such activities, the principal activity alone shall be considered for the purpose of determining whether controlled materials may be obtained under paragraph (c) of this regulation, and also for determining which preference ratings may be applied under paragraph (d).

(f) *Quantity restrictions.* (1) No governmental agency and no institution shall use the allotment symbol or preference ratings assigned by this regulation to obtain any item of maintenance, repair or operating supplies during any calendar quarter in an aggregate amount exceeding thirty per cent of its aggregate expenditures for items of maintenance, repair and operating supplies of the same class during the calendar year 1942 (or its fiscal year ending nearest to December 31, 1942) except that any gov-

ernmental agency or any institution engaged in an activity which normally requires a greater amount of maintenance, repair or operating supplies during certain seasons than others, may use such allotment symbol or preference rating to obtain, during any calendar quarter up to but not in excess of, its aggregate expenditures for maintenance, repair and operating supplies for items of the same class during the corresponding quarter of 1942 (or such fiscal year). In neither case, however, shall any governmental agency or any institution use such allotment symbol or preference ratings to obtain maintenance, repair and operating supplies during the twelve months ending March 31, 1944, in an amount exceeding its aggregate expenditures for items of maintenance, repair and operating supplies of the same class used by it during the calendar year 1942 (or such fiscal year). As an illustration of the meaning of the term "items of the same class" purchases of sand and gravel during 1942 may not be taken into account in computing authorized purchasers of builders hardware in 1943.

(2) A governmental agency or institution which has several departments, branches or units which maintain separate records of maintenance, repair and operating supplies, shall treat each of them separately for purposes of complying with the provisions of subparagraph (1) of this paragraph (f).

(3) In the case of any building or facility operated by any governmental agency or any institution which was not in operation during the base period specified in subparagraph (1) of this paragraph (f), the governmental agency or institution operating the same may take as a base its expenditures for maintenance, repair and operating supplies during the first quarter of 1943, or during the portion thereof when the building or facility was in operation, reasonably adjusted for seasonal, or other variable factors: *Provided*, That it first notifies the War Production Board in writing of the base which it is taking, the reasons therefor, and the nature of any adjustments made. In the case of a building or facility starting operations after February 28, 1943, maintenance, repair and operating supplies may be acquired pursuant to this regulation in the minimum amounts necessary for operation, without other restrictions, up to \$500 per quarter. If more than this amount is required, application should be made in writing to the War Production Board for a specific quota. In any case where the base provided in subparagraph (1) or by this subparagraph (3) is deemed too low for necessary operations, application may be made in writing for modification thereof.

(4) The restrictions contained in this paragraph (f) shall apply in addition to any quantitative restrictions contained in any order in the "P" series, unless the particular P order expressly provides that the restrictions of this regulation shall be inapplicable. The restrictions contained in subparagraphs (1), (2) and (3) of this paragraph (f) shall not apply to any controlled material or other prod-

uct or material for which a rating is assigned on Form PD-408, as provided in paragraph (g) of this regulation.

(5) The War Production Board may, by further regulations or orders, require specified persons or classes of persons, to file applications or reports regarding their requirements of maintenance, repair and operating supplies and may prescribe specific quantitative limits for the same either larger or smaller than the limits provided in this paragraph (f).

(g) *Restrictions on use of ratings by agencies and institutions using Form PD-408.* No governmental agency or institution and no branch, department or unit thereof, to which a rating for maintenance, repair and operating supplies is or may be assigned on Form PD-408, shall, during the calendar quarter for which such rating is assigned, use any rating assigned by this regulation to obtain maintenance, repair and operating supplies. Any such agency or institution which is assigned a preference rating on Form PD-408 for controlled materials (other than aluminum) for maintenance, repair and operating supplies, may place authorized controlled material orders for the amount so rated, if, but only if, the same are required for essential maintenance, repair and operating supplies in connection with any activity or service listed in Schedule I or Schedule II attached to this regulation. Such orders shall be placed in the manner provided in paragraph (c) (1) of this regulation including the use of the certificate and symbol therein specified. Any governmental agency or any institution which is assigned a preference rating on Form PD-408 for aluminum for maintenance, repair and operating supplies may obtain the same pursuant to the provisions of paragraph (c) (2) of this regulation subject to the quantity restrictions contained in said paragraph, if, but only if, the same is required for essential maintenance, repair and operating supplies, to be used for a purpose listed in Schedule I or Schedule II of this regulation, by using the certificate specified in paragraph (c) (2) of this regulation. Any governmental agency or any institution which is assigned a preference rating on Form PD-408 for any material or product other than controlled materials, for maintenance, repair and operating supplies may, in applying such rating for the purchase of maintenance, repair and operating supplies, use the optional standard certificate provided in CMP Regulation No. 7 with the symbol MRO 5A, and a delivery order bearing such certificate and symbol shall have the status of a delivery order bearing a preference rating with an allotment symbol as provided in CMP Regulation No. 3. Any such agency or institution may, at its option, use the certificate specified in Priorities Regulation No. 3 without the symbol. The quantity restrictions prescribed in paragraph (f) of this regulation shall not apply to any controlled material or to any other material or product for which a rating is assigned on Form PD-408 for maintenance, repair and operating supplies.

(h) *Penalties for misrepresentation or diversion.* (1) The placing of any order bearing a certification or symbol as provided by this regulation shall constitute a representation, subject to the criminal penalties of section 35 (A) of the United States Criminal Code (18 U. S. C. 80), that the person placing the order is entitled, under the terms of this regulation to the use of the symbol or preference rating indicated thereon.

(2) No person shall use for any purpose other than essential maintenance, repair or operations, any supplies obtained pursuant to this regulation, or use any supplies obtained under a preference rating assigned by this regulation for a purpose to which a lower rating, or no rating, is assigned. Any such use shall constitute a crime punishable by fine or imprisonment or both. Physical segregation of inventories is not required, provided the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product.

(i) *Inventory restrictions.* Nothing in this regulation shall be deemed to authorize any governmental agency or any institution to receive any delivery of maintenance, repair or operating supplies if acceptance thereof would increase its inventory above a practicable working minimum as provided in Section 944.14 of Priorities Regulation No. 1, or would exceed the inventory limitations prescribed for such person by CMP Regulation No. 2 or by any other applicable regulation or order of the War Production Board.

(j) *Additional assistance in individual cases.* Any governmental agency or any institution requiring maintenance, repair or operating supplies which it is unable to obtain pursuant to the foregoing provisions of this regulation, may apply to the War Production Board for additional assistance on such form as may be appropriate, having regard to the material required and the service or activity involved. If no particular form is specified by applicable orders or regulations of the War Production Board, such application may be made on Form PD-1A or, in the case of a PRP unit, on Form PD-25F. Such application shall be filed with the Governmental Division of the War Production Board, Washington, D. C.

(k) *Effect on other orders and procedures.* (1) The preference ratings assigned by this regulation shall supersede the preference ratings assigned by all orders in the "P" series for maintenance, repair and operating supplies with respect to materials or products to be delivered after March 31, 1943, except as may be otherwise provided by amendments of such orders specifically providing to the contrary.

(2) Subject to paragraph (k) (1) of this regulation, all of the terms, provisions and restrictions contained in all orders in the "P" series, including definitions, requirements for making applications and filing reports and other restrictions, except as otherwise provided

in paragraph (f) (3) of this regulation shall, subject to the inventory restrictions of CMP Regulation No. 2, remain in full force and effect until modified or revoked.

(3) In addition, each governmental agency or institution which, in accordance with existing priorities procedures not covered by "P" orders, is required to file applications or reports with respect to its requirements for, or use of, maintenance, repair or operating supplies, or is limited in the amount of such supplies, which it is permitted to acquire or use, shall continue to comply with such procedures until the same are modified or revoked.

(4) Nothing in this regulation shall be construed to relieve any governmental agency or institution from complying with any applicable priorities regulation or order of the War Production Board (including orders in the "E", "L" and "M" series) or with any order of any other competent authority.

(l) *Reclassification of activities.* Any governmental agency or any institution which is of the opinion that any activity in which it is engaged should be assigned a rating different from that assigned by this regulation, may apply to have such activity reclassified, by filing a letter in triplicate with the Governmental Division, setting forth the relevant facts and the reasons why applicant considers that such request should be granted.

(m) *Records and reports.* Each governmental agency and institution acquiring maintenance, repair or operating supplies pursuant to this regulation, shall keep and preserve for a period of not less than two years, accurate and complete records of all such supplies so acquired, and used, which shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board and shall execute and file with the War Production Board such reports as may from time to time be required by said Board.

(n) *Communications.* All communications concerning this regulation should be addressed to: Governmental Division, War Production Board, Washington, D. C., Ref: CMP Regulation No. 5A.

Issued this 19th day of March 1943.

CURTIS E. CALDER,
Director General for Operations.

LIST A

The following items are excluded from maintenance, repair and operating supplies as defined in paragraphs (b) (3), (b) (4) and (b) (5) of CMP Regulation No. 5A regardless of whether they would otherwise come within such definitions.

1. Fabricated containers (in knock-down or set-up form, whether assembled or unassembled), required for packaging products to be shipped or delivered.
2. Printed matter and stationery.
3. Paper, paperboard, and products manufactured therefrom; molded pulp products.
4. Fuel or electric power.
5. Office machinery or office equipment.
6. Clothing, shoes or other wearing apparel, if made of leather or textiles, except that the following types may be included in operating supplies when specially designed and used to

furnish protection against specific occupational hazards (other than weather):

- a. Asbestos clothing.
- b. Safety clothing impregnated or coated for the purpose of making the same resistant against fire, acids, other chemicals or abrasives.
- c. Safety industrial rubber gloves and hoods and linemen's rubber gloves and sleeves.
- d. Gauntlet type welders' leather gloves and mittens, and electricians' leather protector or cover gloves.
- e. Other safety leather gloves or mittens but only if steel stitched or steel reinforced.
- f. Safety industrial leather clothing other than gloves or mittens.
- g. Metal mesh gloves, aprons and sleeves.
- h. Plastic and fibre safety helmets.
7. Fire hose, hose dryers, racks, reels and related products.
8. Fire extinguishers.
9. Any device, equipment, instrument, preparation or other material designed or adapted for use in connection with
 - a. air raid warnings or detection of the presence of enemy aircraft; or
 - b. blackouts or dimouts; or
 - c. the protection of civilians, either individually or collectively, against enemy action or attack.

SCHEDULE I

PREFERENCE RATING AA-1

Sewers—sanitary and sewage disposal.
Hospitals.
Refuse collection and disposal.
Communicable disease control.
Aican, Panamerican and Trans-Isthmian highways.
Public transportation facilities.
Docks, wharves and terminals.
Police and law enforcement agencies.
Fire protection.
Beacons, markers, and radio devices employed as aids to navigation.

SCHEDULE II

PREFERENCE RATING AA-2X

Streets and highways providing immediate access to military or war production facilities, and the strategic network and its extensions into and through municipalities.

Federal aid system of highways.
Primary state highways, together with their extensions into and through municipalities and arterial streets and highways.

Airports and flight strips.
Dams, levees and revetments.
Canals—waterways.
Flood control facilities.
Storm sewers.
Public dispensaries, clinics and health stations, governmentally-owned or operated not for profit.

Penal institutions including prison industries.

Mine safety.
Printing and publishing.
United States Mint.
United States Bureau of Printing and Engraving.
Processing, warehousing, distribution, preparation, serving and inspection of food by Governmental agencies only.

Over-all administration including staff services, such as fiscal, procurement, personnel, etc., by Governmental agencies only.

Repairs made necessary by reason of any breakdown of plumbing, heating, electrical wiring or equipment, or elevator service in any building or to provide against imminent breakdown of any such facilities by Governmental agencies only.

Educational institutions.

[F. R. Doc. 43-4252; Filed, March 19, 1943;
11:20 a. m.]

Chapter XI—Office of Price Administration

PART 1499—COMMODITIES AND SERVICES
[Order 337 Under § 1499.3 (b) of GMPR]

E. I. DU PONT DE NEMOURS & CO.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered:*

§ 1499.1773 *Maximum prices for high tenacity rayon staple fiber and tow sold by E. I. Du Pont de Nemours & Company.* (a) The E. I. Du Pont de Nemours & Company of Wilmington, Delaware, may sell and deliver and any person may purchase and receive from it high tenacity rayon staple fiber and rayon tow at prices not in excess of those set forth below:

Type:	Price per Pound (Cents)
High tenacity rayon staple fiber	30.75
High tenacity rayon tow	35.75

(b) The maximum prices set forth in paragraph (a) shall apply only to the sale of the first 25,000 pounds of each of the commodities produced by E. I. Du Pont de Nemours & Company. After completing such production, E. I. Du Pont de Nemours & Company shall notify the Office of Price Administration, Washington, D. C., and shall submit such information with respect to production costs as may then be requested.

(c) The prices set forth in paragraph (a) of this section shall be subject to the seller's customary terms of sale.

(d) This Order No. 337 may be revoked or amended by the Office of Price Administration at any time.

(e) This Order No. 337 shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4204; Filed, March 18, 1943;
11:54 a. m.]

PART 1499—COMMODITIES AND SERVICES
[Order 19 Under § 1499.29 of GMPR]

JACK NELSON MANUFACTURING COMPANY

Order No. 19 under § 1499.29 of General Maximum Price Regulation—Docket No. VIII-G 1305.12-28.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is hereby ordered, That:*

§ 1499.419 *Authorization of a maximum price for two-part cement laundry trays for Jack Nelson Manufacturing Company.* (a) Jack Nelson Manufacturing Company of Seattle, Washington, may sell and deliver to Crane Company, Consolidated Supply Company, Peerless-Pacific Company and Marshall Wells Company, all of Portland, Oregon, two-part cement laundry trays at not more than \$5.65 each, f. o. b. point of manufacture.

(b) This Order No. 19 shall cover only the sales of two-part cement laundry trays to the companies set forth in paragraph (a) above, which are in turn sold under contract to the War Department, the Navy Department, and the Maritime Commission.

(c) If the contracts between Jack Nelson Manufacturing Company and the four companies set forth in paragraph (a) above have been negotiated at a price higher than that established by this Order No. 19, such price shall be adjusted downward to the established price. If any payments have been made under any such contracts at a price higher than that established by this Order No. 19, refund of the excess must be made to each company respectively.

(d) This Order No. 19 (§ 1499.419) is hereby incorporated as a section of Supplementary Regulation No. 4, which contains modifications of maximum prices established by § 1499.2.

(e) All prayers of the application not granted herein are denied.

(f) This Order No. 19 may be revoked or amended by the Price Administrator at any time.

(g) This Order No. 19 (§ 1499.419) shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4203; Filed, March 18, 1943;
11:54 a. m.]

PART 1351—FOOD AND FOOD PRODUCTS
[MPR 271; Amendment 5]CERTAIN PERISHABLE FOOD COMMODITIES,
SALES EXCEPT AT RETAIL

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Maximum Price Regulation 271 is amended in the following respects:

1. Section 1351.1001 (a) (1) is amended to read as follows:

(1) All white potatoes, whether used for human consumption or as seed potatoes.

2. Section 1351.1001 (c) (3) is added to read as follows:

(3) Appendix C sets forth maximum prices for seed potatoes which were previously exempt from this regulation. Under its terms no seed potatoes heretofore or hereafter bought or sold as seed potatoes may be sold except as seed potatoes for planting. To insure compliance with this provision, various conditions are established which sellers and buyers are required to meet before sales of such seed potatoes may be made.

*Copies may be obtained from the Office of Price Administration.

17 F.R. 9179, 10715; 8 F.R. 233, 1748, 1981.

3. Section 1351.1003 (d) is added to read as follows:

(d) All intermediate sellers as defined in this section, who sell seed potatoes shall compute their prices under Appendix C.

4. Section 1351.1008 is amended to read as follows:

§ 1351.1008 *Evasion.* The price limitations which are set forth in this Maximum Price Regulation No. 271 shall not be evaded, whether by direct or indirect methods, in connection with any offer, solicitation, agreement, sale, delivery, purchase or receipt of, or relating to any of the commodities listed in any Appendix hereof, alone or in conjunction with any other commodity, or by way of commission, service, transportation, or any other charge or discount, premium, or other privilege, or by tying-agreement or other trade understanding, or otherwise; or by avoiding or offering to avoid the sale or use of seed potatoes as seed potatoes or by requiring any seller or buyer, as the case may be, to aid in avoiding the conditions of sale concerning seed potatoes set forth in Appendix C, or otherwise.

5. Section 1351.1011 (c) is added to read as follows:

(c) In addition to the above records sellers shall keep all correspondence in connection with any sale of seed potatoes together with a copy of every invoice or other written evidence of purchase or sale and,

On or before April 1, 1943, prepare and maintain for examination by any person during ordinary business hours a statement showing his maximum prices for every kind of certified seed potatoes which he sold during the period February 15, 1943, to March 1, 1943, and his customary allowances, discounts and other price differentials. Whenever such seller offers any other kind of certified seed potatoes for sale he shall add to such statement his maximum price for such seed potatoes.

6. Section 1351.1014 (a) (2) is amended to read as follows:

(2) "Country shipper" means any person, including a farmer, who grades, sacks, or loads perishable food commodities on board common or contract carriers and who makes sales and deliveries to any other person whether for his own account or for the joint account of himself and another. If any farmer sells a perishable food commodity at the farm, directly to any commercial, industrial or institutional user, the maximum price for such sale shall be the maximum price listed in Appendix A or Appendix C, as the case may be, for a country shipper.

7. Section 1351.1019 is added to read as follows:

§ 1351.1019 *Appendix C: Seed potatoes—(a) Scope of Appendix C.* Maximum prices for the sale of seed potatoes in bulk by farmers and in sacks of 50 pounds or more by country shippers (which is defined to include farmers act-

ing as country shippers or selling direct to commercial, industrial or institutional users) and intermediate sellers are established in this Appendix C. The foregoing provisions of this Maximum Price Regulation No. 271 shall also apply to such sales of seed potatoes, except as otherwise provided in this Appendix C.

(b) *Prohibitions on sale of seed potatoes.* No seed potatoes heretofore or hereafter bought or sold as seed potatoes shall be used or resold except as seed potatoes for planting.

(c) *Sales of certified seed potatoes by country shippers.* (1) The maximum price that any country shipper may charge for the sale or delivery of any certified seed potatoes, domestic or imported, shall be the highest price charged by such seller for the same variety, grade and size of seed potatoes to a purchaser of the same class during the period February 15, 1943, to March 1, 1943, inclusive.

(2) If a country shipper made no such sale or delivery, his maximum prices for the sale or delivery of any certified seed potatoes, domestic or imported, shall be the highest price charged by his most closely competitive seller for the same variety, grade and size of certified seed potatoes to a purchaser of the same class during the period February 15, 1943, to March 1, 1943, inclusive.

(3) If a country shipper cannot figure his price under the above provisions (1) and (2), his maximum price for the sale or delivery of certified seed potatoes shall be figured by taking his maximum price for the most similar quality certified seed potatoes which he sold or delivered during the period February 15, 1943, to March 1, 1943, inclusive, and adding or subtracting the premium or discount normal to his business or, if none, normal to the trade, for the certified seed potatoes in question.

(4) If he made no such sale or delivery under (3), the country shipper's maximum price shall be figured by taking his most closely competitive sellers maximum price for the most similar quality certified seed potatoes which such competitor sold or delivered during the period February 15, 1943, to March 1, 1943, inclusive, and adding or subtracting the premium or discount normal to his business, or if none, normal to the trade, for the seed potatoes in question.

(d) *Sales of selected seed potatoes by country shippers.* The maximum price that any country shipper may charge for selected seed potatoes, domestic or imported, shall be 75 cents per cwt. over the maximum price established for the country shipper in Appendix A for the same variety, grade and size of white potatoes sold for human consumption.

(e) *Sales of certified and selected seed potatoes by intermediate sellers.* The maximum price that any intermediate seller may charge for certified or selected seed potatoes, domestic or imported, which he has now on hand, or hereafter purchases, shall be established in the same manner as provided for the sale of white potatoes for human consumption by § 1351.1003 and Appendix B above, except that the period of time which shall be considered in determining the "largest single purchase" shall

be thirty days, or if no such purchase was made during such thirty days the term "largest single purchase" shall refer to the most recent purchase made by the intermediate seller.

In addition, an intermediate seller's "net cost" of seed potatoes whether heretofore or hereafter bought shall not exceed the maximum delivered price to him in his purchase of the seed potatoes in question from the country shipper (or if he purchases from any other person the maximum delivered price to him as if he had bought the seed potatoes in question direct from the country shipper) under the terms of this Appendix C. "Net cost" shall otherwise have the same meaning as provided for in § 1351.1003 above.

(f) *Conditions of sale.* No sale of seed potatoes shall be made unless the following conditions are met.

(1) *Sales in sacks and bulk.* The seed potatoes shall have been packed in sacks of 50 pounds or over when sold by a country shipper or intermediate seller except that sales may be made in bulk by a farmer selling direct to a commercial, industrial or institutional user.

(2) *Buyer's statement.* The buyer shall furnish the seller with a statement in writing that such seed potatoes are being purchased "only for use or for resale as seed for planting and not for human consumption, for processing, or any other purpose." The buyer is required to furnish the seller with such a written statement prior to sale.

(3) *Seller's tag.* When seed potatoes are sold in sacks or other containers there shall be attached to the sack, or other container, prior to shipment from the farm or the country shipping point, a label or tag stating that such potatoes are "seed potatoes not to be used or sold for human consumption" and marked with an identifying lot number plus the name and address of the seller who attached such label or tag at the farm or country shipping point.

If a seller, on March 19, 1943, owns seed potatoes packed in a sack, or other container which has been labeled or tagged as seed potatoes at the country shipping point (as previously provided for by § 1351.1001), but which does not bear an identifying lot number or the name and address of the farmer or country shipper who attached such label at the country shipping point, he must add to the tag or label an identifying lot number, his own name and address and the words "seed potatoes not to be used or sold for human consumption."

When seed potatoes are sold in bulk by a farmer direct to a commercial, industrial or institutional user, he shall state upon an invoice or other written evidence of sale an identifying lot number and his name and address.

(4) *Seller's statement on invoice.* The seller shall furnish the buyer with an invoice or other written evidence of the sale which, in addition to the customary facts stated by the seller, shall include the following statement:

As required by Maximum Price Regulation No. 271, I have agreed to sell and you have agreed to buy these seed potatoes only for use or for resale as seed for planting and not

for human consumption or any other purpose. I have also received from you a statement in writing to that effect.

The identifying lot number with which these seed potatoes have been labeled or tagged is _____ and the name and address of the seller who attached such label or tag is _____.

The type, variety, grade and size of these seed potatoes are _____.

My selling price, which does not exceed my maximum price, is _____.

(5) *Report.* The seller shall mail after each sale or delivery of seed potatoes a copy of his invoice or other written evidence of the sale, within 24 hours after the day of sale or shipment, to the nearest district or state office of the Office of Price Administration.

(g) *Addition, alteration or removal of tag or label prohibited.* No person shall attach any tag or label to a sack, bag or other container of potatoes stating that such potatoes are seed potatoes, except at the farm or country shipping point as expressly required above.

No person shall alter or modify any tag or label attached to a sack, bag or other container of seed potatoes, except as expressly required above.

No person, except a planter, shall remove or detach any tag or label attached as above provided to a sack, or other container of seed potatoes.

(h) *Definitions.* "Certified white seed potatoes" means white potatoes inspected and certified by a state agency as seed for planting.

"Selected white seed potatoes" means white potatoes selected by the farmer or country shipper as specially qualified for use as seed for planting and duly invoiced, tagged or labeled as seed potatoes at the farm or country shipping point as required above.

"Seed potatoes" means either certified or selected white seed potatoes.

This amendment shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-4223; Filed, March 18, 1943;
4:56 p. m.]

PART 1351—FOOD AND FOOD PRODUCTS

[MPR 332,¹ Amendment]

ALFALFA HAY; STATES OF CALIFORNIA, OREGON, WASHINGTON, ARIZONA, NEVADA, UTAH AND IDAHO

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with The Division of the Federal Register.*

Maximum Price Regulation 322 is amended in the following respects:

*Copies may be obtained from the Office of Price Administration.

¹ 8 F.R. 2024.

1. Section 1351.1950 is amended to read as follows:

§ 1351.1950 Prohibition against sales of alfalfa hay in the area subject to this regulation above maximum prices. On and after the effective date of this regulation regardless of any contract or other obligation, no person subject to this regulation shall sell or deliver alfalfa hay and no person subject to this regulation in the course of trade or business shall buy or receive such alfalfa hay at a price higher than the maximum prices permitted by this regulation and no person subject to this regulation shall agree, offer, solicit or attempt to do any of the foregoing: *Provided*, That the provisions of this regulation shall not apply to sales or deliveries of alfalfa hay otherwise covered by this regulation if prior to the effective date of this regulation such alfalfa hay has been sold to a buyer and has been received by a carrier other than a carrier owned or controlled by the seller for shipment to such buyer. But any resales of such last mentioned alfalfa hay which is so in transit at the effective date of this regulation shall be subject to this regulation.

2. Section 1351.1952 is amended to read as follows:

§ 1351.1952 Territory and transactions subject to this regulation. The provisions of this regulation shall apply only to the states of California, Nevada, Oregon, Arizona, Washington, Idaho and Utah. It shall govern the sale and delivery of all alfalfa hay produced in said region as well as the sale and delivery of all alfalfa hay produced elsewhere which is sold to any person located in said region.

3. Section 1351.1953 is amended to read as follows:

§ 1351.1953 Maximum prices for sales by a producer. (a) "Producer" means a person who grows or raises alfalfa hay.

(b) The maximum price for the sale or delivery of alfalfa hay by a producer shall be \$20.00 per ton, loose on the farm, collected and situated ready to load on vehicles for transportation from the farm, except that where there is furnished a complete certificate designating the grade (or if impractical to procure, then a partial inspection certificate designating the grade shall govern unless and until a complete certificate is issued) which complete certificate or partial inspection certificate shall be signed by a hay inspector duly licensed as a federal or federal state inspector and duly authorized to issue such certificates, the maximum prices for the grades so designated shall be as follows:

	Grade No. 1	Grade No. 2	Grade No. 3
Alfalfa hay.....	\$22.50	\$20.00	\$17.00
Alfalfa green or leafy hay.....		21.50	19.00
Alfalfa extra leafy hay.....	25.50	22.00	20.00

(c) The maximum delivered price for the sale or delivery of alfalfa hay by a producer shall be the maximum price above set forth plus transportation charges actually incurred by the seller

from seller's farm to buyer's receiving point.

4. Section 1351.1954 is amended to read as follows:

§ 1351.1954 Maximum prices for sales by a country shipper except for purchases in California. (a) "Country shipper" means a person who buys alfalfa hay from a producer other than a producer located in California for resale to a dealer or retailer.

(b) The maximum price for the sale or delivery of alfalfa hay by a country shipper shall be \$2.00 per ton (maximum mark up) over his cost which shall not exceed the maximum price thereon to him of the producer from whom the alfalfa hay in question was purchased plus transportation charges actually incurred by such country shipper in selling to a dealer or retailer.

(c) Notwithstanding the foregoing provisions of this section, country shippers customarily doing business as above described may trade in alfalfa hay among themselves: *Provided*, That no more than a total of the \$2.00 maximum mark up above permitted is charged a dealer or retailer for his purchase from any country shipper of any particular lot of alfalfa hay irrespective of the number of such country shippers who may have handled the alfalfa hay in question.

5. Section 1351.1955 is amended to read as follows:

§ 1351.1955 Maximum prices for sales by a dealer. (a) "Dealer" means a person who buys alfalfa hay from a producer or country shipper for resale to a retailer or to a feeder or ultimate consumer except by sale of a type specified in § 1351.1956 hereof.

(b) The maximum price for the sale or delivery of alfalfa hay by a dealer shall be \$1.50 per ton (maximum mark up) over his cost which shall not exceed the maximum price thereon to him of the producer or country shipper, as the case may be, from whom the alfalfa hay in question was purchased plus transportation charges actually incurred by such dealer in so selling to a retailer or to a feeder or ultimate consumer.

(c) Notwithstanding the foregoing provisions of this section, dealers customarily doing business as above described may trade in alfalfa hay among themselves: *Provided*, That no more than a total of the \$1.50 mark up above permitted is charged in any such sale to a retailer or a feeder or ultimate consumer for the purchase from any dealer of any particular lot of alfalfa hay irrespective of the number of such dealers who may have handled the alfalfa hay in question.

6. Section 1351.1956 is amended to read as follows:

§ 1351.1956 Maximum prices for sales by a retailer. (a) "Retailer" means a person who buys alfalfa hay for the purpose of sale to a feeder or ultimate consumer in the manner specified below.

(b) The maximum prices for the sale or delivery of alfalfa hay by a retailer shall be one of the following mark ups over his cost which shall not exceed the maximum price thereon to him of the

producer, country shipper or dealer from whom the alfalfa hay in question was purchased plus transportation charges actually incurred by such retailer in so selling to a feeder or ultimate consumer:

(1) Where the retailer has unloaded and stored the alfalfa hay in question in his established place of business which must consist of a permanent structure or building such as a feed store or structural warehouse:

(i) \$5.00 per ton maximum mark up if sold in quantities of two tons or less.

(ii) \$4.50 per ton maximum mark up if sold in quantities of more than two tons and not over three tons.

(iii) \$3.50 per ton maximum mark up if sold in quantities of more than three tons and not more than five tons.

(iv) \$3.00 per ton maximum mark up if sold in quantities of more than five tons but not over seven tons.

(2) Where the retailer sells from off a railroad car \$3.00 per ton maximum mark up if sold in quantities of less than railroad car lots.

(c) Notwithstanding the foregoing provisions of this section, retailers customarily doing business as above described may trade in alfalfa hay among themselves: *Provided*, That no more than a total of the maximum mark up above permitted for the sale of a particular quantity of alfalfa hay is charged a feeder or ultimate consumer for the purchase from any retailer of such quantity, irrespective of the number of such retailers who may have handled the alfalfa hay in question.

7. Section 1351.1958 is amended to read as follows:

§ 1351.1958 Maximum prices for sales of alfalfa hay imported from a foreign country. (a) The maximum price for the first sale and delivery of alfalfa hay imported from a foreign country within the area subject to this regulation after the importation shall be the total of:

(1) The seller's cost not exceeding the maximum price of a producer as above specified, plus

(2) The maximum mark up as above specified for the class of persons to which the seller belongs, plus

(3) Transportation charges actually incurred by the seller from the port of entry of the alfalfa hay in question to the buyer's receiving point.

(b) The maximum price for all subsequent sales and deliveries of such alfalfa hay shall be the maximum mark up as above specified for a like sale or delivery by a like class of seller over the seller's cost not exceeding the maximum price which he could lawfully have paid for the quantity and quality purchased and to the person from whom he purchased plus transportation charges actually incurred by such seller.

8. Section 1351.1959 is amended to read as follows:

§ 1351.1959 Maximum prices for sales in bales. Where alfalfa hay is sold in bales the cost of baling not exceeding \$4.00 per ton if and as incurred by the seller may be added to the appropriate maximum price above set forth.

9. Section 1351.1962 is amended to read as follows:

§ 1351.1962 Definitions. (a) As used in this regulation alfalfa hay and grades of alfalfa hay refer to alfalfa hay and grades of alfalfa hay as established in the Handbook of Official Hay Standards issued by the Department of Agriculture.

(b) As used in the regulation the phrase "transportation charges actually incurred" means:

(1) Where the carrier is not owned or controlled by the seller, the amount paid such carrier (including the 3 per cent tax provided for in section 620 of the Revenue Act of 1942) not exceeding any applicable common or contract carrier rate for a like service or any applicable maximum price for such service.

(2) Where the carrier is owned or controlled by the seller, the reasonable value of the transportation in question not exceeding, if any, the common or contract carrier rate or the maximum price for a like service if performed by a person other than the seller.

Save as loading or unloading charges may be customarily included in such transportation charges no additional charges may be made for such services.

10. The title of this regulation is amended to read as set forth above.

This amendment shall become effective March 18, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

Approved:

CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-4233; Filed, March 18, 1943;
4:56 p. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Ration Order 12,¹ as Amended March 18, 1943]

COFFEE RATIONING REGULATIONS

A new item is added to § 1407.1091 by Amendment 24, so that Ration Order 12 shall read as follows:

Preamble. Interruptions in ocean communications and the use of available shipping space to carry materials important to the prosecution of the war have resulted in a recent sharp decline in coffee imports. The supply of coffee in the United States, which depends virtually in its entirety upon ocean-going transportation, has, therefore, suffered to such an extent that it is insufficient to satisfy normal demands. In addition, the tremendous purchases and consumption of coffee by the armed forces has depleted the coffee supply that would normally be available for civilian consumption.

Coffee has become an important drink to practically the entire adult population of this country. It is important, therefore, to take steps to insure the orderly distribution of coffee so that each person may obtain his share of the coffee available for distribution. The War Product-

tion Board has accordingly directed the Office of Price Administration to ration coffee. Ration Order No. 12 is issued pursuant to that directive.

Because the supply of coffee is inadequate to provide the entire population with coffee in amounts sufficient to satisfy normal demands and because the youngest members of the community are those who would suffer least from being deprived of coffee, no coffee ration is being provided for children fourteen years old and younger. No one will be allowed to obtain coffee with the coffee stamps contained in such children's war ration books.

In order to allow retailers and wholesalers of coffee to build up their stocks of roasted coffee, coffee cannot be sold to consumers during the period from November 22, 1942, to November 28, 1942, inclusive. Certain stamps contained in War Ration Book One will be designated as coffee stamps and will enable consumers to acquire their coffee rations. Consumers will not, however, be allowed to buy green coffee even with coffee stamps.

In order to assure that dealers will have available sufficient coffee to satisfy consumers' rations, provisions are made for allowing retailers and wholesalers working inventories which they will be able to replenish through use of the same coffee stamps.

Roasters and persons dealing in green coffee will be able to buy green coffee without the use of coffee stamps or certificates. Roasters, however, must have on hand stamps or certificates equal in weight value to the coffee roasted and sold by them.

Institutions will receive bimonthly allotment certificates at their local war price and rationing boards.

To provide information necessary to the proper administration and enforcement of this rationing program, all members of the trade are required to take an initial inventory, to keep certain records, and to make certain reports.

Accordingly, pursuant to the authority vested in the Administrator by Executive Order No. 9125, issued by the President on April 7, 1942, and Directive No. 1 and Supplementary Directive No. 1-R of the War Production Board, issued on January 24 and November 20, 1942, respectively, *It is hereby ordered*, That:

SCOPE OF RATION ORDER NO. 12

Sec.

1407.951 Territorial limitation.

DEFINITIONS

1407.952 Definitions.

JURISDICTION

1407.953 Jurisdiction of boards.

RESTRICTION OF TRANSFERS

1407.954 Restriction of transfers.

1407.955 Transfers to consumers between November 22 and 28, 1942, prohibited.

1407.956 Transfer of roasted coffee must be accompanied by surrender or issuance of evidences.

1407.957 Transfer of coffee prohibited to individuals less than 14 years old.

Sec.

1407.958 Restriction on transfer of green coffee.

1407.959 Transfer of green coffee to consumers prohibited.

1407.961 Restriction on transfers or acquisitions in excess of War Production Board suspension orders.

CONSUMERS

1407.970 Individuals not possessing war ration books.

1407.972 Consumers handicapped by transportation difficulties.

1407.973 Army, Navy, Marine Corps, and Coast Guard personnel on furlough.

1407.975 Restriction on use of coffee stamps.

RETAILERS AND WHOLESALERS

1407.980 Allowable inventory of coffee.

1407.981 Allowable inventory of certain single-establishment, non-roasting retailers.

1407.982 Allowable inventory of retailers not included in § 1407.981 and wholesalers.

1407.983 Compounded coffee in allowable inventory computation.

1407.984 Initial inventory.

1407.985 Excess inventory.

1407.986 Issuance of purchase warrants.

1407.987 Form of purchase warrants.

1407.988 Transfers upon purchase warrants.

1407.988a Certificates to be issued for roasted coffee not acquired with purchase warrants.

1407.989 Replenishment of allowable inventory.

1407.990 Compounders of coffee; reports.

1407.991 Transfer of coffee to certain exempt persons.

1407.991a Ration banking by exempt agencies.

1407.992 Ration banking by retailers and wholesalers.

INSTITUTIONAL AND INDUSTRIAL USERS

1407.995 Dissolution of registering units and registration of Class A industrial users.

1407.997 Allowable inventory of coffee for institutional or Class A industrial users.

1407.998 Roasted coffee base of Class A industrial user.

1407.999 Allotment.

1407.1000 Application for allotment certificates.

1407.1001 Amount for which allotment certificate is to be issued.

1407.1002 Adjustments.

1407.1003 Restriction on use.

1407.1006 Late registration.

1407.1009 Ration banking by industrial users and institutional user roasters.

1407.1015 Restrictions on use of coffee.

1407.1016 Inventory.

1407.1017 Class B industrial users—non-roasters.

1407.1018 Restriction on transfer of soluble and liquid extract coffee.

CERTIFICATES AND COFFEE STAMPS

1407.1020 Nature and validity of certificates and coffee stamps.

1407.1021 Surrender of certificates and coffee stamps.

1407.1022 Mail orders and similar transactions.

1407.1023 War ration stamp cards.

1407.1024 Sale, gift, loan, or judicial seizure of coffee stamps or certificates prohibited.

1407.1025 Destroyed, mutilated or stolen coffee stamps or certificates.

1407.1027 Transfers not to be made upon invalid coffee stamps, certificates, or purchase warrants.

Sec.
1407.1028 Notification to the Office of Price Administration of legal proceedings.

1407.1029 Authorization of transfer against coffee stamps, certificates, or purchase warrants is authorization of acquisition, and vice versa.

1407.1030 Prohibition of transfer except against coffee stamps, certificates, or purchase warrants is prohibition of acquisition, and vice versa.

1407.1031 Prohibited acts with respect to coffee stamps and certificates.

1407.1032 Use of checks by depositors and non-depositors.

TRANSFER AND ACQUISITION OF GREEN COFFEE

1407.1040 Initial inventory.

1407.1041 Transfer and acquisition of green coffee.

1407.1042 Disposition of purchase warrants, certain certificates, and ration credits by roasters.

TRANSFERS PERMITTED WITHOUT THE SURRENDER OF COFFEE STAMPS, CERTIFICATES, OR PURCHASE WARRANTS AND IRRESPECTIVE OF RESTRICTIONS ON THE ACQUISITION OF GREEN COFFEE

1407.1045 Transfer of green coffee.

1407.1046 Loans and gifts of roasted coffee.

1407.1047 Coffee included in initial inventory.

1407.1048 Exchanges.

1407.1049 Transfers to certain persons.

1407.1050 Transfers between establishments owned by same person.

1407.1051 Green coffee transferred for roasting.

1407.1052 Transfer of coffee for carriage.

1407.1053 Transfer of coffee for storage.

1407.1054 Voluntary or involuntary transfer of establishment.

1407.1055 Liquidation of establishments.

1407.1055a Limitation on application of §§ 1407.1054 and 1407.1055.

1407.1056 Disposal of damaged coffee and undamaged coffee mingled therewith, or coffee in a package, bag, or other container damaged while in transit by common carrier.

1407.1057 Replacement of damaged, destroyed, lost or stolen coffee or coffee in a package, bag, or other container damaged while in transit.

1407.1058 Recovery of lost or stolen coffee.

1407.1059 Surrendering certificates to the board for cancellation.

1407.1060 Acquisition of coffee by judicial process, by operation of law and for security and similar purposes; enforcement.

1407.1061 Disposal of roasted coffee acquired without coffee stamps or certificates.

1407.1062 Obtaining certificates to replace roasted coffee acquired pursuant to § 1407.1060.

PETITIONS FOR ADJUSTMENT; NEW BUSINESS

1407.1065 Petitions for adjustment of base, allotment, inventory, or allowable inventory.

1407.1066 New establishments.

REPORTS AND RECORDS

1407.1068 In general.

1407.1069 By retailers and wholesalers.

1407.1070 By institutional and industrial users.

1407.1071 By persons transferring or acquiring green coffee.

1407.1072 Miscellaneous records.

1407.1073 Disclosure of information.

MISCELLANEOUS

Sec.
1407.1075 Administration.

1407.1076 Powers and duties.

1407.1077 Imports of roasted coffee.

1407.1078 Weight computation formulae.

1407.1079 Appeals.

1407.1080 Persons authorized to sign reports, forms, purchase warrants.

1407.1081 Communications.

1407.1082 Duties, rights, obligations of establishments and registering units.

1407.1083 Additional prohibitions.

1407.1084 Army, Navy, Marine Corps, and Coast Guard post exchanges, commissaries, and ships' service stores.

1407.1084a Issuance of certificates to investigatory agencies.

ENFORCEMENT

1407.1085 Removal of coffee stamps from war ration books of persons under 14 years old.

1407.1086 Criminal prosecutions.

1407.1087 Suspension orders.

1407.1088 Report of violations.

1407.1089 Saving clause.

EFFECTIVE DATE

1407.1090 Effective date of Ration Order No. 12.

1407.1090a Effective dates of amendments.

SCHEDULES

1407.1091 Designation of ration periods and of coffee stamps valid therein.

1407.1092 Allotment percentage for Class A industrial users.

AUTHORITY: §§ 1407.951 to 1407.1092, inclusive, issued pursuant to Pub. Law 671, 76th Congress, as amended by Pub. Laws 89, 507, 421, and 729, 77th Congress, E.O. 9125, 9280, 7 F.R. 2719, 10129; W.P.B. Dir. No. 1, Supp. Dir. No. 1-R, Food Dir. No. 3, 7 F.R. 562, 9684; 8 F.R. 2005.

SCOPE OF RATION ORDER NO. 12

§ 1407.951 *Territorial limitation.* Ration Order No. 12 shall apply within the 48 States of the United States and within the District of Columbia.

DEFINITIONS

§ 1407.952 *Definitions.* When used in Ration Order No. 12 the term:

(a) "Acquire" means to accept a transfer or otherwise obtain possession of, title to, or any interest in coffee.

(b) "Beverage," unless otherwise indicated by the context, means the drink commonly known as "coffee."

(c) "Board" means a war price and rationing board or, if the context so indicates, the specific war price and rationing board having jurisdiction over specific persons or establishments.

(d) "Certificate" means a coffee purchase certificate. A coffee purchase certificate shall consist of O.P.A. Form R-306 with the word "sugar" stricken wherever it appears thereon, with the words "coffee in the amount of" inserted on the line in such form provided for insertion of amount, and with the words "Rationing Order No. 3 (Sugar)" stricken from the following line.

(e) "Coffee" means green or roasted coffee, packaged or unpackaged, bean or ground, and includes any substitute or substance, including but not limited to

chicory, cereal, peas, or beans when mixed, blended, or compounded with coffee. When modified by the word "green" or "roasted," the term "coffee" shall denote only the kind of coffee indicated. "Coffee" does not include soluble or liquid extract coffee or similar products processed or manufactured in whole or in part from coffee but does include coffee from which all or part of the caffeine has been removed.

(f) "Coffee stamps" means stamps numbered 19 to 28, inclusive.

[Paragraph (f) as amended by Amendment 13, 8 F.R. 1741, effective 2-12-43]

(g) "Compounder" means a person, other than a consumer, institutional user, or industrial user, who mixes or blends coffee with any substitute or substance including but not limited to chicory, cereal, peas, or beans for the purpose of transfer.

[Paragraph (g) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(h) "Consumer" means any individual acquiring or seeking to acquire coffee for personal use, who has obtained a war ration book pursuant to Rationing Order No. 3 or Ration Order No. 12, and whose age, as entered in said war ration book, is 14 years or over.

[Paragraph (h) as amended by Amendment 18, 8 F.R. 2154, effective 2-20-43]

(i) "Establishment" means the business or operation subject to Ration Order No. 12, conducted at or from a particular location. Each shipping point from which one or more car, wagon, or other house-to-house routes originate shall be deemed a separate establishment.

(j) "Family unit" means a group of two or more individuals, consisting of all persons customarily living together in the same household (including persons temporarily absent therefrom) who are related by blood, marriage, or adoption.

(k) "Industrial establishment" means an establishment which uses coffee in the production, manufacture, or processing of soluble coffee or any product other than coffee or in the preparation of food or beverages not served by it or its owner to individuals. It does not include an establishment which only blends, mixes or compounds coffee with substitutes or substances including but not limited to chicory, cereal, beans, or peas. A person owning an industrial establishment is, with respect to the ownership and operation of such establishment, an industrial user. With respect to coffee used by him in the preparation of beverages which he does not serve to individuals, an industrial user is sometimes designated in Ration Order No. 12 a Class A industrial user. With respect to other uses of coffee by him, an industrial user is sometimes designated in Ration Order No. 12 a Class B industrial user.

(l) "Institutional establishment," "institutional user establishment," and "institutional user" have the respective

meanings given to such terms by General Ration Order 5.²

[Paragraphs (k) and (l) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(m) "Person" means any individual, corporation, partnership, association, or business trust, and includes the United States or any agency thereof, and any State or any political subdivision or agency thereof, and any other government or agency thereof.

(n) "Purchase warrant" means a statement prepared and signed by a retailer or wholesaler for the purpose of acquiring roasted coffee and certifying to the authority of the retailer or wholesaler to acquire, under Ration Order No. 12, roasted coffee in the amount stated thereon.

(o) "Ration period" means the period designated by the Office of Price Administration during which a coffee stamp shall be valid for use by a consumer.

(p) "Registering unit" means the institutional establishment or group of institutional establishments, as defined prior to March 1, 1943, selected by the owner thereof to be treated as a single unit for the purposes of Ration Order No. 12 and which was so registered by him.

[Paragraph (p) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(q) "Retail establishment" means an establishment engaged in a business involving the transfer of roasted coffee which makes at least 50 per cent of its transfers of all merchandise to consumers. A person owning one or more retail establishments is, with respect to the ownership and operation thereof, a retailer.

(r) "Roaster" means a person who roasts green coffee owned by him or has green coffee supplied by him roasted for his account on a fee or similar basis by some other person. Whenever in Ration Order No. 12 reference is made to green coffee roasted by a person it shall include green coffee supplied by such person but roasted for his account on a fee or similar basis by some other person and shall not be included by such other person as green coffee roasted by him.

(s) "Stamp" means a war ration stamp originally contained in a war ration book.

(t) "State Director" means the person holding the Office of State Director in a District or State office, or the Office of District Manager in a district office, who has been designated by the Regional Administrator to decide, pursuant to Procedural Regulation No. 9,^{2a} appeals from the decisions of local war price and rationing boards located in the area over which such office has jurisdiction.

[Paragraph (t) added by Amendment 11, 8 F.R. 1366, effective 2-4-43. Former paragraphs (t) through (w) redesignated (u) through (x).]

(u) "Transfer" means sell, lease, lend, trade, give, ship, deliver, or transfer, in any way, the ownership or possession of

coffee or any interest therein from one establishment or person to another establishment or person. It includes diverting to consumer use coffee held for sale or transfer whether or not a change in ownership or possession results.

(v) "War ration book" means War Ration Book One (O.P.A. Form R-302).

(w) "Weight value" means the amount of coffee authorized to be transferred by a coffee stamp, certificate, purchase warrant, or check.

[Paragraph (w) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43.]

(x) "Wholesale establishment" means an establishment engaged in a business involving the transfer of roasted coffee which makes over 50 per cent of its transfers of all merchandise to other establishments or to persons other than consumers. A person owning one or more wholesale establishments is, with respect to the ownership and operation thereof, a wholesaler.

(y) "Account" means a coffee ration bank account carried by a bank, in which the bank keeps a record of deposits of coffee stamps, certificates, and checks and of transfers of coffee ration credits.

(z) "Bank" means a bank or bank branch which participates in ration banking by opening an account in accordance with General Ration Order No. 3.

(aa) "Check" means a coffee ration check, in the form prescribed by the Office of Price Administration, drawn by a depositor against his account and made payable to the account of a named person.

(bb) "Depositor" means a person who has a ration bank account. A person shall be deemed a separate depositor with respect to each of his accounts.

(cc) "District Office" means the District Office of the Office of Price Administration having jurisdiction over the area in which the bank carrying the account for a depositor is located, or, if there is no such District Office, the State Office of the Office of Price Administration having jurisdiction over that area.

(dd) "Evidences" means coffee stamps, certificates and checks.

(ee) "Issue" when used with respect to a check, means the delivery of a completed check to the person to whose account the check is made payable.

(ff) "Ration credits" means the credits in an account reflecting the deposit of coffee stamps, certificates, or checks.

[Paragraphs (y) through (ff) added by Amendment 12, 8 F.R. 1286, effective 1-27-43.]

JURISDICTION

§ 1407.953 *Jurisdiction of boards.* For the purposes of Ration Order No. 12 each board shall have jurisdiction over each consumer and each institutional user establishment registered with it, and over each retailer, wholesaler, institutional user, and industrial user whose principal business office is located within the area assigned to the board.

[§ 1407.953 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

RESTRICTION OF TRANSFERS

§ 1407.954 *Restriction of transfers.* Notwithstanding the terms of any contract, agreement, or commitment, regardless of when made, no person shall on or after November 22, 1942, transfer or acquire coffee except in accordance with Ration Order No. 12.

§ 1407.955 *Transfers to consumers between November 22 and 28, 1942, prohibited.* From November 22, 1942, to November 28, 1942, inclusive, no person shall transfer coffee to a consumer.

§ 1407.956 *Transfer of roasted coffee must be accompanied by surrender or issuance of evidences.* Except as otherwise provided in Ration Order No. 12, a transfer of roasted coffee shall be made only upon the surrender or issuance of appropriate evidences authorizing such transfer.

[§ 1407.956 as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43.]

§ 1407.957 *Transfer of coffee prohibited to individuals less than 14 years old.* No person shall transfer coffee against or acquire coffee with a coffee stamp in or from the war ration book of an individual whose age, as entered in said war ration book, is less than 14 years.

[§ 1407.957 as amended by Amendment 18, 8 F.R. 2154, effective 2-20-43.]

§ 1407.958 *Restriction on transfer of green coffee.* Except as otherwise provided in Ration Order No. 12, no person shall, on or after November 22, 1942, transfer green coffee to any other person unless such other person is a roaster or is and was prior to November 22, 1942, engaged in a business or operation involving dealing in green coffee.

§ 1407.959 *Transfer of green coffee to consumers prohibited.* Notwithstanding anything contained in Ration Order No. 12, no person shall on or after November 22, 1942, transfer green coffee to a consumer.

[§ 1407.960 revoked by Amendment 21, 8 F.R. 2782, effective 3-10-43]

§ 1407.961 *Restriction on transfers or acquisitions in excess of War Production Board suspension orders.* No person against whom the War Production Board has issued or issues any suspension or similar order limiting the amount of coffee such person may acquire or transfer shall, on or after November 22, 1942, acquire or transfer any coffee in excess of the amount permitted by such order.

CONSUMERS

§ 1407.970 *Individuals not possessing war ration books.* (a) Any individual who registered as a consumer pursuant to Rationing Order No. 3 and who either (1) did not obtain a war ration book by virtue of the provisions of Rationing Order No. 3 or (2) surrendered his war ration book thereafter to the board pursuant to §§ 1407.71, 1407.73, or 1407.74 of Rationing Order No. 3, may, upon applying therefor to the board receive a war ration book containing stamps Nos. 17 to

² 8 F.R. 2195, 2348, 2597, 2598, 2666, 2667.

^{2a} 7 F.R. 8796; 8 F.R. 856.

28, inclusive, together with any other stamps to which such individual may be entitled pursuant to Rationing Order No. 3: *Provided, however,* That coffee stamps for any ration periods which have expired shall be detached from the war ration book issued to any such individual whose age, as entered in said war ration book, is 14 years or more.

[Paragraph (a) as amended by Amendment 19, 8 F.R. 2154, effective 2-22-43]

(b) Any individual 14 years old or older who has not registered and applied for a war ration book in accordance with Rationing Order No. 3 and who is entitled to register pursuant to § 1407.68 of Rationing Order No. 3 may register pursuant thereto and apply for a war ration book. The board shall issue a war ration book to such an individual containing stamps Nos. 17 to 28, inclusive, together with any other stamps to which he may be entitled pursuant to Rationing Order No. 3: *Provided, That coffee stamps for any ration periods which have expired shall be detached from such war ration book.*

[Paragraph (b) as amended by Amendment 18, 8 F.R. 2154, effective 2-20-43]

(c) Any individual whose war ration book does not contain stamps other than stamps Nos. 17 to 28, and who under the provisions of Rationing Order No. 3 subsequently becomes entitled to any stamps numbered 16 or less may exchange his war ration book at the board for a new war ration book. Before issuing the new war ration book, the board shall detach all stamps required to be detached by Rationing Order No. 3, the coffee stamps corresponding to any coffee stamp which had been removed from the surrendered war ration book, and the coffee stamps for ration periods which have expired: *Provided, however,* That such coffee stamps shall not be detached from the war ration book issued to any individual whose age as entered therein is less than 14 years.

[Paragraph (c) as amended by Amendment 19, 8 F.R. 2154, effective 2-22-43]

[§ 1407.971 revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.972 Consumers handicapped by transportation difficulties. A consumer to whom a war ration book has been issued and who, because of transportation difficulties, finds it a hardship to acquire roasted coffee at the times specified in § 1407.1091, may apply to the board for a certificate having a weight value not in excess of five pounds. The application shall be made to the board by the consumer personally, by an authorized agent, or by any other person authorized by Rationing Order No. 3 to register for him. The board, in its discretion, may grant the application in whole or in part. Before issuing a certificate in such a case, the board shall detach from the war ration book of the consumer coffee stamps having a weight value equal to the amount for which the certificate is issued.

§ 1407.973 Army, Navy, Marine Corps, and Coast Guard personnel on furlough.

A member of the Army, Navy, Marine Corps, or Coast Guard who is on furlough for at least seven days, may apply to a board for a certificate for one pound of coffee. Not more than one such certificate may be issued to the same person in any ration period. When issuing such a certificate, the board shall enter on the leave papers its designation, a statement that it has issued a certificate, and the date of issuance.

[§ 1407.974 revoked by Amendment 23, 8 F.R. 2721, effective 3-2-43]

§ 1407.975 Restriction on use of coffee stamps. (a) A consumer, not a member of a family unit, who on November 28, 1942, owns or possesses more than one pound of coffee shall retain in his possession one coffee stamp for each pound of coffee he owns or possesses in excess of one pound. The consumer shall surrender such coffee stamps to the board when so ordered by the Office of Price Administration.

[Paragraph (a) as amended by Amendment 1, 7 F.R. 10380, effective 12-16-42]

(b) If, on November 28, 1942, a family unit or any member thereof owns or possesses a quantity of coffee in excess of one pound of coffee per member of the family unit, whose age, as entered on his war ration book, is 14 years or more, coffee stamps equal in weight value to such excess shall be retained by such members. Such coffee stamps shall be surrendered to the board when so ordered by the Office of Price Administration.

[Paragraph (b) as amended by Amendment 1, and Amendment 18, 8 F.R. 2154, effective 2-20-43]

RETAILERS AND WHOLESALERS

§ 1407.980 Allowable inventory of coffee. Every retailer and wholesaler is permitted a working inventory of coffee which shall be known as his allowable inventory.

§ 1407.981 Allowable inventory of certain single-establishment, non-roasting retailers. (a) The allowable inventory of a person owning one retail establishment only, not engaged in roasting coffee, which commenced operations on or before September 1, 1942, and which transferred during September 1942 less than 2,000 pounds of roasted coffee, shall be one pound of roasted coffee for each ten dollars, or fraction thereof, of gross sales of all meats, groceries, fruits, vegetables, and similar products made from such establishment during September 1942. The gross sales of a person owning one retail establishment only, not engaged in roasting coffee, which commenced operations after September 1, 1942, shall be computed by multiplying by 26 its average daily gross sales of meats, groceries, fruits, vegetables, and similar products between September 2 and November 22, 1942, and the allowable inventory of such person shall be one pound of roasted coffee for each ten dollars, or fraction thereof, of gross sales so computed. If such establishment is one of two or more departments located within one building and holding themselves out to the public as a single opera-

tion, such gross sales may include the sales made by all such departments regardless of their ownership.

(b) For the purposes of this section, average daily gross sales shall be determined by dividing the total gross sales made from the establishment by the number of days on which said establishment was open for business during the period for which the average daily gross sales are being determined.

§ 1407.982 Allowable inventory of retailers not included in § 1407.981 and wholesalers. (a) The allowable inventory of a person owning a single retail establishment not referred to in § 1407.981 or two or more retail establishments or one or more wholesale establishments, all of which commenced operations on or before September 1, 1942, shall be an amount equal to the sum of (1) the amount of roasted coffee, acquired by such owner as roasted coffee, and transferred during September 1942 by such owner to another person; and (2) three times the amount of roasted coffee roasted by said owner, transferred during September 1942 to another person.

(b) The allowable inventory of a person owning a single retail establishment not referred to in § 1407.981 or two or more retail establishments or one or more wholesale establishments, none of which was in operation on or before September 1, 1942, shall be computed by determining for each such establishment the sum of (1) the average daily quantity of roasted coffee, acquired by the owner of such establishment as roasted coffee, and transferred by such establishment, during the period between September 2 and November 22, 1942, to any person other than the owner of the establishment, and (2) three times the average daily quantity of roasted coffee, roasted by the owner of the establishment, transferred by such establishment, during the period between September 2 and November 22, 1942, to any person other than the owner of the establishment; by adding such sums for all the establishments owned by said person; and by multiplying the figure thus obtained by 26. For the purposes of this section, average daily quantities shall be determined by dividing the amount of roasted coffee transferred by an establishment during the period between September 2 and November 22, 1942, by the number of days on which said establishment was open for business during said period.

(c) A person owning two or more retail establishments or two or more wholesale establishments, some, but not all, of which commenced operations on or before September 1, 1942, shall compute his allowable inventory by treating, for the purpose of this Section only, those establishments which commenced operation on or before September 1, 1942, as if they were owned by one person and all other establishments as if they were owned by another person and by adding the two results thus obtained.

(d) A person owning retail and wholesale establishments shall compute his allowable inventory by treating, for the purposes of paragraphs (a), (b), and (c)

of this section, all his retail establishments as if they were owned by one person and all his wholesale establishments as if they were owned by another person and by adding the two results thus obtained.

§ 1407.983 Compounded coffee in allowable inventory computation. In computing, for the purposes of §§ 1407.981 and 1407.982, the amount of roasted coffee transferred, the weight of any substitutes or substances, including but not limited to chicory, cereal, peas, or beans, compounded, mixed, or blended with such coffee by the transferor shall be deducted from the weight of such roasted coffee.

§ 1407.984 Initial inventory. (a) The initial inventory of a retailer or wholesaler shall include all green and roasted coffee located within the continental United States (the 48 States of the United States and the District of Columbia) to which, at midnight, November 21, 1942, he has title or holds documents of title. He shall be deemed to have title to coffee: (1) in transit or stored for delivery to him and out of the possession of the vendor prior to November 22, 1942; (2) held by him on consignment or on any similar basis; (3) mortgaged, pledged, or otherwise used by him as security in a credit transaction; or (4) in the possession of his vendor if such coffee has been paid for and physically segregated and earmarked by the vendor for delivery to him.

(b) In computing his initial inventory, the retailer or wholesaler shall deduct from the weight of the coffee included in such inventory the weight of any substitutes or substances, including but not limited to chicory, cereal, peas, or beans, blended, compounded, or mixed by said retailer or wholesaler with said coffee.

§ 1407.985 Excess inventory. The amount of coffee by which the initial inventory of a retailer or wholesaler exceeds the allowable inventory, shall be known as the "excess inventory". A retailer or wholesaler who has an excess inventory of coffee shall, before he may acquire any coffee upon the surrender of coffee stamps or certificates, surrender to the board for cancellation coffee stamps or certificates in weight value equal to the amount of his excess inventory: *Provided, however,* That such retailer or wholesaler may, before surrendering such coffee stamps or certificates to the board for cancellation, acquire roasted coffee through the issuance of purchase warrants pursuant to §§ 1407.986 to 1407.988, inclusive. In no event shall a retailer or wholesaler acquire any coffee after January 31, 1943, unless he has surrendered to the board for cancellation coffee stamps or certificates in weight value equal to the amount of his excess inventory.

§ 1407.986 Issuance of purchase warrants. Between November 22, 1942, and December 5, 1942, inclusive, a retailer or wholesaler may, in order to acquire roasted coffee, issue purchase warrants in an aggregate weight value not in excess of any amount by which his allow-

able inventory exceeds his initial inventory of coffee.

§ 1407.987 Form of purchase warrants. Purchase warrants shall be in the following form:

Purchase warrant issued to _____

Name of Supplier

I hereby certify to the Office of Price Administration that I am authorized, pursuant to the provisions of Ration Order No. 12 (Coffee Rationing Regulations) to acquire _____ pounds of coffee.

Corporation or firm name
By _____

Address _____

Date: _____, 1942.

§ 1407.988 Transfers upon purchase warrants. (a) Any retailer or wholesaler who, on or before December 12, 1942, receives a purchase warrant from any person authorized to issue such purchase warrant is authorized to transfer roasted coffee to such person in an amount equal to the weight value of the purchase warrant.

(b) A person receiving purchase warrants and transferring roasted coffee pursuant thereto may himself on or before December 12, 1942, in addition to purchase warrants issued by him pursuant to § 1407.986, issue purchase warrants having a weight value equal to the amount of roasted coffee transferred by him pursuant to purchase warrants received by him, for the purpose of obtaining from his suppliers roasted coffee to replace the roasted coffee thus transferred by him.

(c) After January 25, 1943, no person shall transfer roasted coffee on the authority of a purchase warrant.

[Paragraph (c) as amended by Amendment 3, 7 F.R. 11072, effective 12-28-42]

(d) Every person receiving purchase warrants shall maintain a file thereof at his principal business office for delivery to the Office of Price Administration upon demand therefor. Such file shall be maintained in alphabetical order according to the names of the persons from whom the purchase warrants were received.

§ 1407.988a Certificates to be issued for roasted coffee not acquired with purchase warrants. (a) Any retailer or wholesaler may, upon applying therefor to the board in February 1943, receive from the board a certificate or certificates in weight value equal to the sum of (1) and (2):

(1) The weight value of the purchase warrants which he was authorized to issue pursuant to Ration Order No. 12 minus the amount of all roasted coffee acquired by him on the authority of such purchase warrants;

(2) The weight of roasted coffee transferred by him after December 12, 1942, and prior to January 26, 1943, against purchase warrants received by him pursuant to Ration Order No. 12 from other retailers or wholesalers.

(b) Before the board shall grant any such application, it shall receive from

the applicant a certificate in the following form, duly signed by the applicant:

I hereby certify to the Office of Price Administration that: (1) pursuant to the provisions of Ration Order No. 12 I was authorized to issue purchase warrants in weight value aggregating _____ pounds; (2) on the authority of all purchase warrants issued by me I acquired _____ pounds of roasted coffee; and (3) after December 12, 1942, and prior to January 26, 1943, I transferred _____ pounds of roasted coffee against purchase warrants received by me.

Date: _____

Retailer-Wholesaler

By _____

Address _____

(c) The weight value of a certificate authorized to be issued to any wholesaler pursuant to paragraph (a) of this section shall be reduced by the weight value of any certificate received by such wholesaler pursuant to a petition for inventory adjustment filed by him.

(d) Any retailer or wholesaler who, after receiving a certificate pursuant to paragraph (a) of this section, receives delivery of roasted coffee against purchase warrants previously issued by him shall, on or before March 15, 1943, surrender to the board for cancellation coffee stamps or certificates in weight value equal to the amount of roasted coffee so received by him.

[§ 1407.988a added by Amendment 9, 8 F.R. 1316, effective 2-1-43]

§ 1407.989 Replenishment of allowable inventory. Except as otherwise provided in Ration Order No. 12, on and after November 22, 1942, the allowable inventory of a retailer or wholesaler may be replenished with roasted coffee only upon the surrender by such person of coffee stamps or certificates.

§ 1407.990 Compounders of coffee; reports. (a) On and after November 22, 1942, no person, other than a consumer or institutional or Class A industrial user, shall blend, compound, or mix coffee with substitutes or substances, including but not limited to chicory, cereal, peas, or beans, unless he shall first notify The Office of Price Administration, Washington, D. C., of his intention to engage in such practice.

[Paragraph (a) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(b) Every compounder shall maintain records showing the amounts of substitutes or substances, including but not limited to chicory, cereal, peas, or beans, blended, compounded, or mixed by him with coffee transferred by him during each month and, beginning in January 1943, shall, between the first and fifth days of each month, surrender to the Office of Price Administration, Washington, D. C., coffee stamps or certificates in weight value equal to the weight of the substitutes or other substances blended, compounded, or mixed by him with the coffee transferred by him during the preceding month. Such person

shall, at the same time, report on O. P. A. Form R-1206 (1) the amount of substitutes and substances, including but not limited to chicory, cereal, peas, or beans, blended, compounded, or mixed by him with coffee transferred during the preceding month; (2) the total weight of such coffee (including the weight of the substitutes and substances referred to in (1)) transferred during the preceding month; and (3) such other information as is called for by said form. Such report shall be prepared in triplicate. The original and duplicate thereof shall be filed with the Office of Price Administration, Washington, D. C., and the triplicate copy shall be retained by the person making the report at his principal business office. The report made in January 1943 shall include the required information for the period from November 22 to December 31, 1942.

[Paragraph (b) as amended by Amendment 6, 8 F.R. 621, effective 1-21-43]

§ 1407.911 Transfer of coffee to certain exempt persons. (a) Any person who requires roasted coffee for the purpose of transfer to any person specified in § 1407.991a (a) or paragraph (c) (1) or (c) (2) of this section pursuant to a written contract with such person, may apply in writing to the board for certificates authorizing the acquisition of the quantity of roasted coffee so required. Such application shall include or be accompanied by a statement of the date of contract, the number or other designation of the contract, and the quantity of roasted coffee required in order to perform the contract. Such roasted coffee shall be used only for the purpose of performing the contract. A person who receives a certificate or certificates pursuant to this paragraph in order to fulfill a contract with any person specified in § 1407.991a (a) shall, within ten days of the delivery by him to the person with whom such contract is made of roasted coffee in an amount equal to the weight value of the certificates received, surrender or issue evidences to the board in weight value equal to the weight value of the certificates so received.

(b) Any retailer or wholesaler who on or after November 22, 1942, transfers roasted coffee to any of the persons (other than any agency specified in § 1407.991a (a)) and for the purposes specified in paragraph (c) of this section, without receiving coffee stamps or certificates therefor, may, if he has not obtained a certificate with respect thereto pursuant to paragraph (a) of this section, apply in writing to the board for certificates authorizing the acquisition of an equivalent amount of roasted coffee.

(c) The persons and purposes included within the provisions of this section are the following:

(1) Any agency of the United States or foreign government, other than any agency specified in § 1407.991a (a), for export to any foreign country.

(2) Veterans' Administration.

(3) Any person, other than any agency specified in § 1407.991a (a), for

transfer to any territory or possession of the United States other than the District of Columbia.

(4) Any person, other than any agency specified in § 1407.991a (a), operating an ocean-going vessel engaged in the transportation of cargo or passengers in foreign, coastwise, or intercoastal trade, as ships' stores for consumption aboard such vessel.

[Paragraphs (a), (b), and (c) as amended by Amendment 23, 8 F.R. 2721, effective 3-2-43]

(d) Application for a certificate pursuant to paragraph (b) of this section shall include or be accompanied by:

(1) In the case of a transfer to a person specified in paragraph (c) (1) or (c) (2) of this section, a certification signed by such person or his authorized agent or employee setting forth the name and address of the person, the name and address of the transferor, the date of transfer, and the quantity of roasted coffee transferred.

(2) In the case of a transfer to a person specified in paragraph (c) (3) of this section, a copy of the bill of lading under which the roasted coffee was shipped or a shipper's export declaration bearing a notation of an authorized customs official to the effect that to the best of his knowledge and belief the amount of roasted coffee therein stated has been exported by such person.

(3) In the case of a transfer to a person specified in paragraph (c) (4) of this section, a statement signed by the Collector of Customs or his deputy, authorizing the owner of the vessel or his agent to take delivery of roasted coffee as ships' stores in an amount equal to that for which application is being made.

[Paragraph (3) as amended by Amendment 1, 7 F.R. 10380, effective 12-16-42]

(e) The certifications and statements which are referred to in paragraph (d) of this section may be in any convenient form and do not require verification or acknowledgment.

§ 1407.991a Ration banking by exempt agencies. (a) The Army, Navy, Marine Corps, Coast Guard, War Shipping Administration, United States Maritime Commission, Office of Lend-Lease Administration, Food Distribution Administration, Ships' Service Departments Afloat, and Army Exchange Service (to the extent that it acquires roasted coffee for export to a foreign country or for transfer to any territory or possession of the United States other than the District of Columbia) are exempt agencies for the purpose of General Ration Order 3B and are referred to as exempt agencies in Ration Order No. 12. Nothing in Ration Order No. 12 restricts the amount of coffee which exempt agencies may acquire.

(b) Each exempt agency is authorized to open one or more exempt accounts, of the type described in General Ration Order 3B, and, except as otherwise provided in Ration Order No. 12, no exempt agency shall acquire roasted coffee except upon the issuance by it of a ration

check equal in weight value to the weight of the roasted coffee transferred to it: *Provided, however,* That roasted coffee may be transferred between or within exempt agencies without the issuance of a check.

(c) Notwithstanding the provisions of § 1407.1021 (a), an exempt agency shall issue an appropriate check to the person who transfers roasted coffee to it at the time such roasted coffee is delivered to it or as soon as practicable thereafter.

(d) Notwithstanding any provision to the contrary in Ration Order No. 12, if for any reason a check cannot be used when an exempt agency acquires roasted coffee, an emergency acknowledgment issued by the exempt agency shall authorize the transfer of roasted coffee to it. An emergency acknowledgment may be in any form, but shall be signed by an authorized officer or employee of the exempt agency, shall specify his official title or rank, and shall state (1) the name of the agency, (2) the name and address of the activity within the agency for which such roasted coffee is acquired, (3) the name and address of the activity to which the emergency acknowledgment must be sent for replacement by a ration check, (4) the amount of roasted coffee acquired, and (5) the date of its acquisition. An emergency acknowledgment shall not authorize the transfer of roasted coffee to the person to whom it is issued, nor shall it be valid for deposit. A person to whom an emergency acknowledgment is issued shall send it to the activity of the exempt agency designated thereon, and a ration check for the amount of roasted coffee transferred shall be issued to him in exchange for the emergency acknowledgment.

[§ 1407.991a added by Amendment 23, 8 F.R. 2721, effective 3-2-43]

§ 1407.992 Ration banking by retailers and wholesalers. (a) Each retailer who owns:

(1) More than one retail establishment;

(2) A single retail establishment whose gross sales of all meats, groceries, fruits, vegetables, and similar products made from such establishment during December 1942 were \$5,000 or more; or

(3) A retail establishment at which green coffee is roasted, shall open at least one account for all such establishments and each wholesaler shall open at least one account for all his wholesale establishments.

(b) Any other retailer may open an account for his establishment.

(c) Any retailer or wholesaler described in paragraph (a) of this section may, at his option, open a separate account for each establishment or for any group of retail or group of wholesale establishments described in such paragraph.

(d) Each account shall be carried in the name of the retailer or wholesaler who shall designate the establishment or establishments for which the account is opened. All accounts shall be opened

in accordance with General Ration Order No. 3A.⁴

(e) A retailer may transfer ration credits from one of his retail accounts to another of his retail accounts, and a wholesaler from one of his wholesale accounts to another of his wholesale accounts by the issuance of a check without the transfer of coffee.

[§ 1407.992 added by Amendment 12, 8 F.R. 1286, effective 1-27-43]

[Paragraph (f) revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

INSTITUTIONAL AND INDUSTRIAL USERS

§ 1407.995 *Dissolution of registering units and registration of Class A industrial users.* (a) Every registering unit registered under Ration Order No. 12 is dissolved as of March 1, 1943.

(b) Every Class A industrial user who, prior to March 1, 1943, had registered establishments owned by him as one or more institutional registering units under Ration Order No. 12, shall, between March 1 and March 10, 1943, inclusive, file with the board having jurisdiction over the area in which his principal business office is located a statement specifying (1) the aggregate initial inventories of such establishments as required to be reported by him at the time he registered such establishments; (2) the aggregate allotments to which such establishments were entitled as registering units under Ration Order No. 12; (3) the aggregate allowable inventories, if any, of such establishments; (4) that part of the aggregate roasted coffee bases of such establishments which resulted from the use by such establishments of roasted coffee in the preparation of beverages not served by him to individuals; and (5) a list of all establishments in which he uses roasted coffee in the preparation of beverages not served by him to individuals, together with the addresses of such establishments and designation of the boards at which such establishments were registered pursuant to Ration Order No. 12. The filing of such a statement shall constitute his registration as a Class A industrial user.

[Paragraphs (a) and (b) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43. Paragraphs (c) through (f) revoked.]

[§ 1470.996 revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.997 *Allowable inventory of coffee for institutional or Class A industrial users.* (a) Any institutional or Class A industrial user who roasts green coffee used by him in the preparation of food or beverages is permitted a working inventory of coffee which shall be known as his allowable inventory.

(b) The allowable inventory of such an institutional or Class A industrial user shall be equal to three times the amount of roasted coffee roasted by him and used by him in the preparation of food or beverages in September 1942. In computing the allowable inventory there shall be deducted from the weight of the coffee included in such inventory,

the weight of any substitutes or substances, including but not limited to chicory, cereal, beans, or peas, compounded, blended, or mixed by him with said coffee.

[§ 1407.997 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.998 *Roasted coffee base of Class A industrial user.* (a) The roasted coffee base of a Class A industrial user owning establishments registered by him pursuant to Ration Order No. 12 as one or more institutional registering units shall be equal to that part of the aggregate roasted coffee bases of such establishments resulting from the use by such establishments of roasted coffee in the preparation of beverages not served by him to individuals.

(b) A person desiring to become a Class A industrial user may petition the Office of Price Administration, Washington, D. C., for assignment to him of a roasted coffee base. The petition shall state the name and address of such person, the location or proposed location and description of the establishments owned by him at which he intends to use roasted coffee as a Class A industrial user, the petitioner's inventory of coffee on the date of his application, the estimated average monthly use the petitioner will make of roasted coffee as a Class A industrial user, whether or not the petitioner roasts green coffee, and any other information the petitioner deems pertinent. The Office of Price Administration may, before acting on any such petition, require the petitioner to furnish any additional information it deems pertinent. Upon assignment of a base to such a person he may receive allotments pursuant to § 1407.999: *Provided, however,* That upon assignment of a base to such a Class A industrial user prior to April 30, 1943, he shall receive an allotment in an amount equal to 80 per cent of such base, reduced by an amount which bears the same proportion to the allotment as the number of days which have elapsed since March 1, 1943, bears to 61.

[Paragraphs (a) and (b) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43. Paragraphs (c) through (e) revoked.]

§ 1407.999 *Allotment.* (a) A Class A industrial user who has established a roasted coffee base shall receive, as provided in Ration Order No. 12, an amount of roasted coffee which is known as an allotment.

(b) The amount of the allotment for each period shall be the applicable percentage, specified in § 1407.1092, of the roasted coffee base of such Class A industrial user.

[§ 1407.999 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1000 *Application for allotment certificates.* (a) Application to the Board for allotment certificates shall be made by a Class A industrial user, as provided in this section, for consecutive two-month periods, the first of which shall commence on May 1, 1943: *Provided, however,* That where the industrial es-

tablissements owned by such industrial user were, prior to March 1, 1943, registered as institutional registering units pursuant to Ration Order No. 12, such industrial user may apply for and receive an allotment certificate for the period from March 1 to April 30, 1943, inclusive, in the same manner as and to the same extent that he was authorized, by the applicable regulations in effect prior to March 1, 1943, to apply for and receive it. Application shall be made not later than the 5th day of the first month of the period for which the application is being made and not earlier than the 15th day of the month preceding the period. The board, in its discretion, may permit an application to be made at any time after the time specified herein but in such case the board shall reduce the allotment by an amount which bears the same proportion to the allotment as the number of days which have elapsed from the start of the period bears to the total number of days in the period.

(b) A Class A industrial user who is not an institutional user and who does not roast green coffee in connection with his Class A industrial use, and whose initial inventory is greater than the aggregate of the allotments received by him or by registering units owned by him pursuant to Ration Order No. 12, shall not apply for an allotment certificate as a Class A industrial user for any period until such initial inventory has been reduced, by the crediting of all such prior allotments, below the amount of his allotment for such period.

(c) A Class A industrial user, who is not also an institutional user, and who roasts green coffee for a Class A industrial use by him, whose initial inventory is greater than his allowable inventory plus the aggregate of the allotments received by him or by registering units owned by him pursuant to Ration Order No. 12, shall not apply for an allotment certificate as a Class A industrial user for any period until such initial inventory has been reduced, by the crediting of all such prior allotments, below the amount of his allowable inventory plus his allotment for such period.

(d) A Class A industrial user, not also an institutional user, who is assigned a roasted coffee base pursuant to § 1407.998 (b) shall not apply for an allotment certificate as a Class A industrial user for any period until the inventory reported by him in his application pursuant to said section has been reduced, by the crediting of prior allotments, below the amount of his allotment for such period.

[Paragraphs (a), (b) and (c) as amended, paragraph (d) added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1001 *Amount for which allotment certificate is to be issued.* (a) Upon proper written application therefor a certificate shall be issued to a Class A industrial user in a weight value equivalent to his allotment except as provided in paragraphs (b), (c), or (d) of this section and subject to any adjustments required by Ration Order No. 12.

(b) The amount of the allotment certificate issued for the allotment period

from May 1 to June 30, 1943, inclusive, to a Class A industrial user who does not roast green coffee in connection with his Class A industrial use, shall be the allotment for such period minus that portion of his initial inventory, as reported by him pursuant to § 1407.995, which has not already been charged against prior allotments received by such Class A industrial user pursuant to Ration Order No. 12, as reported by him pursuant to § 1407.995: *Provided, however,* That where such portion of his initial inventory exceeds his allotment for said period the first certificate issued to such Class A industrial user shall be of a weight value equal to the difference between his initial inventory and the aggregate of his allotments including the allotment for the period for which the certificate is issued.

(c) The amount of the allotment certificate issued for the allotment period from May 1 to June 30, 1943, inclusive, to a Class A industrial user who roasts green coffee in connection with his Class A industrial use shall be the allotment for such period, minus the amount, if any, by which any portion of his initial inventory, as reported by him pursuant to § 1407.995, which has not already been charged against prior allotments received by such Class A industrial user pursuant to Ration Order No. 12, exceeds his allowable inventory: *Provided, however,* That where such portion of his initial inventory exceeds his allowable inventory plus such allotment, the first certificate issued to such Class A industrial user shall be of a weight value equal to the difference between his initial inventory and the amount of his allowable inventory plus the aggregate of his allotments including the allotment for the period for which the certificate is issued.

[Paragraphs (a), (b), and (c) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(d) Notwithstanding anything to the contrary contained in this section, a Class A industrial user who is also an institutional user shall not have any part of his initial inventory charged against his allotments as a Class A industrial user. (Any amount remaining to be charged against allotments of registering units owned by him will be included in his opening inventory as an institutional user under General Ration Order 5.)

(e) The amount of the allotment certificate issued for the period from March 1 to April 30, 1943, inclusive, to a Class A industrial user who is also an institutional user, and who has been assigned a roasted coffee base pursuant to § 1407.998 (b), shall be the allotment for such period which he is entitled to receive pursuant to § 1407.998 (b).

(f) A Class A industrial user, who is not also an institutional user, and who is assigned a roasted coffee base pursuant to § 1407.998 (b) shall report to the board the amount of the inventory specified by him on his petition pursuant to said section. The amount of the allotment certificate issued for the period from March 1 to April 30, 1943, inclusive,

to such a Class A industrial user shall be the allotment for such period (which he is entitled to receive pursuant to § 1407.998 (b) minus the amount of roasted coffee reported by him to the board as his inventory pursuant to this paragraph: *Provided, however,* That when such inventory exceeds such allotment, the first certificate issued to such Class A industrial user shall be of a weight value equal to the difference between such inventory and the aggregate of his allotments including the allotment for the period for which the certificate is issued.

[Paragraphs (d), (e), (f) added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1002 *Adjustments.* (a) In the computation of allotments and the issuance of certificates, corrections shall be made for any previous errors or mistakes in allotments or in the issuance of certificates.

(b) Any institutional or Class A industrial user who acquires roasted coffee without the surrender of evidences, shall, within five days of such acquisition, report to the State Director (1) the amount of roasted coffee so acquired, (2) the name and address of the person from whom such roasted coffee was acquired, and (3) the way in which and the date when such roasted coffee was acquired. Such institutional or Class A industrial user may use such roasted coffee only upon the issuance or surrender by him of appropriate evidences to the State Director.

[Paragraph (b) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1003 *Restriction on use.* (a) No Class A industrial user shall, in any allotment period, use more coffee for any purpose for which allotment certificates may be obtained by him than the amount of his Class A industrial user allotment for said period plus the unused portion of any prior allotments received pursuant to Ration Order No. 12, by him or by registering units owned by him, to the extent that such allotments were based upon the usage by him or by such registering units of roasted coffee in the preparation of beverages not served by him to individuals: *Provided, however,* That a Class A industrial user may use any part of a Class A industrial user allotment at any time after a certificate for such allotment has been issued to him.

(b) No Class A industrial user shall use roasted coffee allotted to him as a Class A industrial user, or allotted, pursuant to Ration Order No. 12, to him or to registering units owned by him, to the extent that such allotments were based upon the usage by him or by such registering units of roasted coffee in the preparation of beverages not served by him to individuals, for any purpose other than the preparation by him of beverages which will not be served by him to individuals.

[§ 1407.1003 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

[§§ 1407.1004 and 1407.1005 revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1006 *Late registration.* A Class A industrial user eligible to register pursuant to § 1407.995 between March 1 and March 10, 1943, inclusive, but who has not done so, may register thereafter at the office of the board. Such Class A industrial user shall not be issued any certificates for any allotment periods or partial periods that may have elapsed.

[§ 1407.1006 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

[§§ 1407.1007 and 1407.1008 revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1009 *Ration banking by industrial users and institutional user roasters.* (a) Notwithstanding anything contained in Ration Order No. 12 or any other ration order of the Office of Price Administration, each institutional and each Class A industrial user who roasts green coffee in connection with his operations as an institutional or Class A industrial user shall open at least one account for the institutional or industrial establishments at which green coffee is roasted by him.

(b) Any other industrial user may open an account for his establishment.

(c) A Class A industrial user may, at his option, open a separate account for each Class A industrial user establishment or for any group of Class A industrial user establishments owned by him, but if he opens an account for one of his Class A industrial user establishments he shall open an account or accounts for all such establishments owned by him.

(d) A Class B industrial user may, at his option, open a separate account for each Class B industrial user establishment or for any group of Class B industrial user establishments owned by him, but if he opens an account for one of his Class B industrial user establishments he shall open an account or accounts for all such establishments owned by him.

(e) Each account shall be carried in the name of the institutional or industrial user who shall designate the establishment or establishments for which such account is opened. All accounts shall be opened in accordance with General Ration Order No. 3A, and, in the case of an institutional user, in accordance with General Ration Order 5.

(f) A Class A industrial user may transfer ration credits from one of his Class A industrial user accounts to another of his Class A industrial user accounts, and a Class B industrial user from one of his Class B industrial user accounts to another of his Class B industrial user accounts, by the issuance of a check without the transfer of coffee.

(g) A certificate received by a Class A industrial user as an allotment for the period from March 1 to April 30, 1943, inclusive, for a registering unit owned by him or received by him for such use prior to March 1, 1943, may not be deposited by him in any account other than a Class A industrial user account opened by him.

[§ 1407.1009 added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1015 Restrictions on use of coffee. No industrial user shall roast any green coffee in connection with or for use in connection with the production, manufacture, or processing of any products, other than of beverages or of products to be transferred to any persons specified in § 1407.991 or § 1407.991a (a), without petitioning the Office of Price Administration, Washington, D. C., for permission to do so and obtaining such permission. The petition shall state the name and address of the petitioner; the purposes for which he intends to use the coffee he seeks permission to roast; the amount of roasted coffee so used by him in each month of 1941, and, if he was not in business during the entire year of 1941, the amount of roasted coffee so used by him in each month of 1942; the amount of green coffee the petitioner seeks permission to roast; his inventory of coffee on the date of his application; the amount of the allotment or allotments, if any, which he is entitled to receive as an institutional user, pursuant to General Ration Order 5, or as a Class A industrial user, pursuant to Ration Order No. 12; and any other facts deemed pertinent by such industrial user. The Office of Price Administration may, before acting on any such petition, require the petitioner to furnish any additional information it deems pertinent.

[§ 1407.1015 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43, and Amendment 23, 8 F.R. 2721, effective 3-2-43]

§ 1407.1016 Inventory. (a) In reporting his inventory, the industrial user shall include all coffee located within the continental United States (the 48 States of the United States and the District of Columbia) to which said industrial user has title or holds documents of title. Said industrial user shall be deemed to have title to coffee: (1) in transit or stored for delivery to him and out of the possession of the vendor; (2) mortgaged, pledged, or otherwise used by the industrial user as security in a credit transaction; and (3) in the possession of the vendor of the industrial user if such coffee has been paid for and physically segregated and earmarked by the vendor for delivery to said industrial user.

§ 1407.1017 Class B industrial users—non-roasters. A Class B industrial user who does not roast green coffee in the production, manufacture, or processing of products, may petition the Office of Price Administration, Washington, D. C., for allotments of roasted coffee. The petition shall state the name and address of the petitioner; the purposes for which roasted coffee is used or is desired to be used by him; the amount of roasted coffee so used by him in each month of 1941, and, if he was not in business during the entire year of 1941, the amount of roasted coffee so used by him in each month of 1942; the amount of allotments being sought; the amount of the allotment or allotments, if any, which he is entitled to receive as an institutional user, pursuant to General Ration Order 5, or as a Class A industrial user, pursuant to Ration Order No. 12; and any

other facts deemed pertinent by such Class B industrial user. The Office of Price Administration may, before acting on any such petition, require the petitioner to furnish any additional information it deems pertinent.

[§ 1407.1017 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1018 Restriction on transfer of soluble and liquid extract coffee. No industrial user shall transfer any soluble or liquid extract coffee to any person, other than any person specified in § 1407.991 or § 1407.991a (a) without petitioning the Office of Price Administration, Washington, D. C., for permission to do so and obtaining such permission. The petition shall state the name and address of the petitioner; the amount of soluble or liquid extract coffee he seeks to transfer; the person to whom he seeks to transfer such soluble or liquid extract coffee; the amount of soluble or liquid extract coffee so transferred by him in each month of 1941, and, if he was not in business during the entire year of 1941, the amount of soluble or liquid extract coffee so transferred by him in each month of 1942; his inventory of soluble and liquid extract coffee on the date of his application; and any other facts deemed pertinent by such industrial user. The Office of Price Administration may, before acting on any such petition, require the petitioner to furnish any additional information it deems pertinent.

[§ 1407.1018 as amended by Amendment 23, 8 F.R. 2721, effective 3-2-43]

CERTIFICATES AND COFFEE STAMPS

§ 1407.1020 Nature and validity of certificates and coffee stamps. (a) A certificate may be transferred by the person to whom it is issued only for the purpose of authorizing such person to acquire the amount of roasted coffee authorized by the certificate. A coffee stamp may be transferred by a consumer to a retailer or wholesaler only for the purpose of authorizing the consumer to whom the coffee stamp was issued to acquire one pound of roasted coffee. A coffee stamp is valid in the hands of a consumer only if attached to a properly issued war ration book.

(b) Each coffee stamp authorizes the transfer of one pound of roasted coffee to a consumer only during the ration period assigned to that coffee stamp in § 1407.1091. A coffee stamp received in accordance with Ration Order No. 12, by a retailer, who is not and is not required to be a depositor, and against which such retailer has transferred roasted coffee, authorizes such retailer to acquire roasted coffee therewith from another retailer or wholesaler, if such stamp is surrendered to such other retailer or wholesaler within 10 days of the close of the ration period assigned to such coffee stamp. Coffee stamps surrendered to a depositor shall be valid for deposit in his account for a period of 20 days after the close of the ration period assigned to such coffee stamp, and, except as provided in paragraph

(f) of § 1407.1032, he may issue checks at any time against credits created by the deposit of a stamp: *Provided, however, That notwithstanding anything to the contrary contained in Ration Order No. 12, on or before February 15, 1943, coffee stamp No. 27 and, on or before March 15, 1943, coffee stamp No. 28, may be deposited, or may be surrendered in order to authorize the transfer of roasted coffee to a retailer who is not and is not required to be a depositor.*

[Paragraph (b) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43 and Amendment 20, 8 F.R. 2346, effective 2-22-43]

(c) Coffee stamps in or from the war ration book of an individual whose age, as entered in said war ration book, is less than 14 years, are invalid for the acquisition of coffee. Such coffee stamps shall not be detached from the war ration book.

[Paragraph (c) as amended by Amendment 18, 8 F.R. 2154, effective 2-20-43]

(d) A certificate authorizes the person to whom it is issued, if he is not and is not required to be a depositor, to acquire roasted coffee therewith within 60 days of the date of issuance of the certificate. A certificate surrendered by endorsement to a retailer who is not and is not required to be a depositor, authorizes the transfer of roasted coffee to such retailer within 80 days of the date of issuance of the certificate. A certificate issued or surrendered to a depositor shall be valid for deposit in the account of such depositor only within 80 days of the date of issuance of the certificate. A certificate issued before January 27, 1943, which is surrendered by endorsement to another person, authorizes the transfer of roasted coffee, and may be deposited within 60 days after the date of issuance of such certificate or within 30 days after the date contained in the endorsement to such person, whichever is later. A depositor may, except as provided in paragraph (f) of § 1407.1032, issue checks at any time against credits created by the deposit of a certificate. Certificates which, on or prior to January 27, 1943, cease to authorize the transfer of roasted coffee, shall not be valid for deposit.

[Paragraph (d) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43]

(e) A person receiving coffee stamps or certificates from a retailer, wholesaler, or institutional or industrial user may, if requested by the person surrendering the coffee stamps or certificates, transfer to such person a quantity of roasted coffee equal to the weight value of the coffee stamps and certificates so received, plus an additional quantity of roasted coffee equal to either: (1) an amount, not in excess of ten percent of the weight value of the coffee stamps or certificates so received, required to make a total quantity equal to a carload or (2) an amount not in excess of 23 pounds, required to permit a transfer in shipping packages customarily used by the transferor. The person ac-

quiring roasted coffee in a quantity greater than the weight value of the coffee stamps and certificates surrendered by him shall be charged with such excess and shall surrender to the transferor coffee stamps or certificates in weight value equal to such excess within 15 days after such acquisition.

[Paragraph (e) is amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1021 Surrender of certificates and coffee stamps. (a) Certificates or coffee stamps must be surrendered by the person acquiring roasted coffee to the person transferring roasted coffee at or before the time of such transfer. Before a certificate is surrendered, the proper endorsement thereon shall be completed by the holder of the certificate.

(b) A coffee stamp shall not be detached from a war ration book except by the consumer or the person acting on his behalf in the presence of the person making delivery of the roasted coffee.

§ 1407.1022 Mail orders and similar transactions. When a consumer wishes to acquire roasted coffee by mail-order or similar transaction, he shall forward his war ration book or certificate to the seller with his order. Before transferring the roasted coffee to the consumer, the seller shall, where the consumer has forwarded his war ration book to the seller, detach therefrom the appropriate coffee stamp. Such seller shall return the consumer's war ration book to him promptly.

§ 1407.1023 War ration stamp cards. (a) A person to whom coffee stamps are surrendered by a consumer shall affix the coffee stamps to a war ration stamp card (OPA Form R-304) or to a similar card. Only coffee stamps bearing the same number may be affixed to a card. Not all the spaces on a card need be filled. Subject to paragraphs (b) and (c) of this section, the card may be surrendered by a depositor to a bank for deposit, or by a retailer who is not and is not required to be a depositor to another retailer or wholesaler for the purpose of acquiring an amount of roasted coffee equivalent to the aggregate weight value of the coffee stamps affixed thereto.

(b) When a retailer who is not and is not required to be a depositor surrenders a card for the purpose of authorizing a transfer of roasted coffee to him, the name and address of such retailer and the name and address of the retailer or wholesaler to whom the card is being surrendered shall be written on the face or back of the card by the retailer surrendering the card. Before a card may be surrendered for the purpose of deposit, the person surrendering the card shall, if he affixed the stamps to the card, endorse it by writing his name and address on its face, or shall, if he received the card with stamps affixed, endorse it by writing his name on its back.

(c) Coffee stamps affixed to a card shall have no greater period of validity

and no greater value than coffee stamps not so affixed.

[Paragraphs (a), (b), and (c) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43. Paragraph (d) revoked.]

§ 1407.1024 Sale, gift, loan, or judicial seizure of coffee stamps or certificates prohibited. The transfer, sale, gift, loan, or assignment of a coffee stamp or certificate is prohibited and no coffee stamp or certificate or any interest therein may be so acquired or seized by distraint, execution, levy, attachment, or other judicial process or acquired through devise, bequest, or inheritance except that such transfer, sale, gift, loan, assignment, seizure, and acquisition is permitted when coffee stamps or certificates are transferred as part of the assets of an establishment transferred as provided in § 1407.1054, and when otherwise expressly permitted in Ration Order No. 12: *Provided, however, That a person to whom a war ration book or certificate has been issued may institute and prosecute any proceeding for the purpose of recovering possession of said war ration book or certificate from any person wrongfully in possession thereof.*

§ 1407.1025 Destroyed, mutilated, or stolen coffee stamps or certificates. (a) A certificate that is torn or mutilated is valid only if more than one-half thereof remains legible and only if such remaining portion clearly evidences the date of the certificate, its weight value, and the name of the person to whom the certificate was issued. A coffee stamp that has been torn or mutilated is valid for use by a consumer only if more than one-half of such coffee stamp remains undetached in the war ration book.

(b) If a certificate or coffee stamp, held by a retailer or wholesaler or by an institutional or industrial user is lost, destroyed, or stolen, or becomes invalid because of mutilation, the person entitled to such certificate or coffee stamp may apply to the board for a new certificate in weight value equal to that of the lost, stolen, destroyed, or mutilated certificate or coffee stamp. Upon the presentation of satisfactory proof, the board shall grant the application.

[§ 1407.1026 revoked by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1027 Transfers not to be made upon invalid coffee stamps, certificates, or purchase warrants. (a) No person shall transfer roasted coffee if the coffee stamp, certificate, or purchase warrant tendered therefor is mutilated or illegible.

(b) No person shall transfer roasted coffee if he knows or has reason to believe that the certificate or purchase warrant tendered therefor was not acquired or issued in accordance with Ration Order No. 12 or that the coffee stamp tendered therefor was not acquired or issued in accordance with Rationing Order No. 3 or Ration Order No. 12. In the event of a refusal to transfer roasted coffee against a coffee stamp, certificate, or purchase warrant the person refusing to

make the transfer shall promptly notify the issuing board of such refusal and his reasons therefor.

§ 1407.1028 Notification to the Office of Price Administration of legal proceedings. Every person holding a certificate, coffee stamp, or purchase warrant shall notify the District Office of the Office of Price Administration immediately upon the commencement of any legal action or proceeding involving such certificate, coffee stamp, or purchase warrant.

§ 1407.1029 Authorization of transfer against coffee stamps, certificates, or purchase warrants is authorization of acquisition, and vice versa. Where in Ration Order No. 12 the transfer of roasted coffee is authorized on the surrender of coffee stamps, certificates, or purchase warrants the acquisition of such roasted coffee, as part of the same transaction, on the surrender of coffee stamps, certificates, or purchase warrants shall also be deemed to be authorized, and vice versa.

§ 1407.1030 Prohibition of transfer except against coffee stamps, certificates, or purchase warrants is prohibition of acquisition, and vice versa. Where in Ration Order No. 12 the transfer of roasted coffee is prohibited except on the surrender of coffee stamps, certificates, or purchase warrants the acquisition of such roasted coffee, as part of the same transaction, except on the surrender of coffee stamps, certificates, or purchase warrants shall also be deemed to be prohibited, and vice versa.

§ 1407.1031 Prohibited acts with respect to coffee stamps and certificates. (a) No person shall use or have in his possession any coffee stamp, certificate, or purchase warrant, whether issued as a ration or not, except the person, or the agent of the person, to whom such coffee stamp, certificate, or purchase warrant was issued or by whom it was acquired in accordance with the provisions of Ration Order No. 12.

(b) No person shall counterfeit or forge a coffee stamp, war ration book, purchase warrant, or certificate.

(c) No person shall transfer, acquire, possess, or use any forged, altered, or counterfeited coffee stamp, war ration book, purchase warrant, or certificate.

(d) No person shall transfer, surrender or assign and no person shall acquire, or receive an assignment of, any coffee stamp, war ration book, purchase warrant, or certificate, except in accordance with the provisions of Ration Order No. 12 or any other ration order of the Office of Price Administration.

§ 1407.1032 Use of checks by depositors and non-depositors. Notwithstanding anything to the contrary contained in Ration Order No. 12:

(a) No depositor and, on and after February 8, 1943, no person required to be a depositor, shall, except in accordance with General Ration Order No. 3A, surrender evidences which are valid for deposit.

(b) Whenever Ration Order No. 12 requires or authorizes the surrender of coffee stamps or certificates to a person, other than a bank for deposit, and such stamps or certificates are valid for deposit, a depositor shall not surrender such stamps or certificates, but shall instead, under the same circumstances and with the same effect, issue to such person a check, valid for deposit, in weight value equal to such stamps or certificates.

(c) Whenever Ration Order No. 12 authorizes the transfer of roasted coffee upon the surrender of coffee stamps or certificates, such transfer may be made to a depositor only upon receipt, by the person making the transfer, of a check, valid for deposit, issued to him by the depositor and equal in weight value to such coffee stamps or certificates.

(d) A person to whom a check is issued who is not and is not required to be a depositor must endorse the check and surrender it to the board. He will receive in exchange a certificate of the same weight value minus the weight value of any stamps or certificates which he is required to surrender to the board for cancellation.

(e) A depositor who has received coffee stamps, certificates, or checks from a retailer, wholesaler, institutional user, or industrial user may issue to him a check in weight value equal to the roasted coffee which he has not transferred against such coffee stamps, certificates, or checks, but which he is then authorized to transfer to such retailer, wholesaler, institutional user, or industrial user against such coffee stamps, certificates, or checks.

[Paragraph (e) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(f) A depositor who has received coffee stamps, certificates, or checks as authorization for the transfer of roasted coffee by him may not, except as provided in paragraph (e) of this section, issue a check against any part of the credit created by their deposit except to the extent that he has transferred roasted coffee against them.

(g) Whenever Ration Order No. 12 refers to the transfer or acquisition of roasted coffee (including the replenishment of inventory), upon or without the receipt or surrender of coffee stamps or certificates, the issuance of checks shall be deemed to be included in such reference, unless the context shall otherwise require.

[§ 1407.1032 added by Amendment 12, 8 F.R. 1286, effective 1-27-43]

TRANSFER AND ACQUISITION OF GREEN COFFEE

§ 1407.1040 *Initial inventory.* (a) Every person, other than the Army, Navy, Marine Corps, and Coast Guard and Commodity Credit Corporation, who transfers or acquires green coffee shall take an inventory of his green coffee as of 12 o'clock midnight, November 21, 1942. *Provided, however,* That this section shall not apply to persons who roast green coffee.

(b) Such inventory shall include all green coffee located within the continental United States (the 48 States of

the United States and the District of Columbia) to which such person has title or holds documents of title. He shall be deemed to have title to green coffee: (1) in transit or stored for delivery to him and out of the possession of the vendor prior to November 22, 1942; (2) held by him on consignment or on any similar basis; (3) mortgaged, pledged, or otherwise used by him as security in a credit transaction; or (4) in the possession of his vendor if such green coffee has been paid for and physically segregated or earmarked by the vendor for delivery to him.

(c) Such person shall include a statement of said inventory of green coffee in the first report filed by him pursuant to § 1407.1071.

§ 1407.1041 *Transfer and acquisition of green coffee.* (a) Notwithstanding anything to the contrary contained in Ration Order No. 12, no person shall acquire, except by import or pursuant to §§ 1407.1053, 1407.1054, 1407.1056, 1407.1058, or 1407.1060, green coffee if as the result of such acquisition his existing inventory would exceed 50 percent of his allowable inventory of coffee. If green coffee is acquired by any person by import or pursuant to §§ 1407.1053, 1407.1054, 1401.1056, 1407.1058, or 1407.1060, in an amount which, together with the coffee in his existing inventory, exceeds 50 percent of his allowable inventory of coffee, such person if he does not make an immediate sale of coffee in an amount equivalent to such excess shall, within 24 hours after acquiring such green coffee, offer, through established coffee dealers and brokers an equivalent amount of coffee for sale in conformity with Ration Order No. 12. If, prior to the acceptance of such offer, such person becomes entitled, as a result of reduction of his existing inventory, to acquire green coffee, coffee in an amount equivalent to the amount which he is so entitled to acquire may be withdrawn from the amount of coffee offered for sale pursuant to this section.

(b) Any person making an offer for sale in accordance with paragraph (a) of this section shall, at the same time, forward a report to the Office of Price Administration, Washington, D. C., stating (1) the amount so offered for sale; (2) whether the coffee offered for sale is from his existing inventory; (3) a description of the coffee offered for sale; (4) the location of the coffee offered for sale; and (5) the names and addresses of the brokers or dealers through whom the offer is being made. In the event of the sale or the withdrawal from offer for sale, pursuant to paragraph (a) of this section, of any such coffee, such person shall forward a report of such sale or withdrawal, within 24 hours thereafter, to the Office of Price Administration, Washington, D. C., stating, in the case of a sale, the name and address of the purchaser, the date of sale, and the amount sold, and, in the case of such withdrawal, the amount withdrawn from the offer for sale.

[§ 1407.1041 as amended by Amendment 15, 8 F.R. 2026, effective 2-12-43]

§ 1407.1042 *Disposition of purchase warrants, certain certificates, and ration credits by roasters.* (a) Every retailer or wholesaler who roasts green coffee shall retain in his possession, until further order by the Office of Price Administration, all certificates which, on or prior to January 27, 1943, cease to authorize the acquisition of roasted coffee, and purchase warrants surrendered to him, for coffee roasted by him and transferred by him. In February 1943 each such retailer and wholesaler shall forward to the Office of Price Administration, Washington, D. C., together with the report required to be made by him by § 1407.1071 (b), (1) a statement specifying the number of pounds of roasted coffee roasted by him that he has transferred against the certificates and purchase warrants so retained by him, and (2) a check in a weight value which, when added to the weight value of the certificates and purchase warrants retained by him pursuant to this section, shall be equal to 84 per cent of the weight of the green coffee roasted by him and transferred by him between November 22, 1942, and January 31, 1943, inclusive. In every month subsequent to February 1943 each such retailer and wholesaler shall forward to the Office of Price Administration, Washington, D. C., together with the report required to be made by him by § 1407.1071 (b), a check equal in weight value to 84 per cent of the weight of the green coffee roasted by him and transferred by him during the month for which such report is made.

[Paragraph (a) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43]

(b) Every institutional or Class A industrial user who roasts green coffee shall retain in his possession, until further order by the Office of Price Administration, all certificates which, on or prior to March 1, 1943, cease to authorize the acquisition of roasted coffee. In April 1943 each such institutional and Class A industrial user shall forward to the Office of Price Administration, Washington, D. C., together with the report required to be made by him by § 1407.1071 (b), (1) a statement specifying the weight value of the certificates retained by him pursuant to this paragraph, and (2) a check in a weight value which, when added to the weight value of the certificates retained by him pursuant to this paragraph, shall be equal to 84 percent of the weight of the green coffee roasted by him between November 22, 1942, and March 31, 1943, inclusive. In every month subsequent to April 1943 each such institutional and Class A industrial user shall forward to the Office of Price Administration, Washington, D. C., together with the report required to be made by him by § 1407.1071 (b), a check equal in weight value to 84 percent of the weight of the green coffee roasted by him during the month for which such report is made.

[Paragraph (b) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

(c) When the ration credits in the account of a person are insufficient to permit him to issue a check in the weight value required by this section, such person shall instead issue to the Office of Price Administration, Washington, D. C., a check in weight value equal to the then balance of ration credits in his account less the weight value of all checks then outstanding against his account, and accompany such check with a reconciliation statement stating the reasons why the ration credits in his account are insufficient.

[Paragraph (c) added by Amendment 12, 8 F.R. 1286, effective 1-27-43]

(d) If a person issues a check to the Office of Price Administration pursuant to paragraph (c) of this section, he shall, within three months thereafter, issue to the Office of Price Administration, Washington, D. C., a check equal in weight value to the difference in weight value between the check he was required to issue pursuant to paragraph (a) or (b) of this section, and the check he actually issued: *Provided, however,* That no such additional check need be issued on account of any deficiency in the weight value of a check due to the surrender or issuance of evidences to the board pursuant to § 1407.985, or to the fact that an institutional or Class A industrial user was not issued certificates for the amount by which his initial inventory exceeded his allowable inventory.

[Paragraph (d) added by Amendment 12, 8 F.R. 1286, effective 1-27-43 and amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

TRANSFERS PERMITTED WITHOUT THE SURRENDER OF COFFEE STAMPS, CERTIFICATES, OR PURCHASE WARRANTS AND IRRESPECTIVE OF RESTRICTIONS ON THE ACQUISITION OF GREEN COFFEE

§ 1407.1045 Transfer of green coffee. When the transfer of green coffee is permitted by Ration Order No. 12, such transfer may be made without the surrender of coffee stamps, certificates, or purchase warrants.

§ 1407.1046 Loans and gifts of roasted coffee. (a) Loans of roasted coffee owned for personal use which are repaid in kind in equal quantity may be made between consumers without the surrender of coffee stamps or certificates.

(b) Gifts of roasted coffee may be made by a consumer to a charitable or religious organization without the surrender of coffee stamps or certificates.

§ 1407.1047 Coffee included in initial inventory. Any coffee included in the initial inventory of a person, or which has been included, or was required to be included, in the opening inventory of an institutional user establishment pursuant to General Ration Order 5, may be transferred to said person or establishment without the surrender of evidences or purchase warrants and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12.

[§ 1407.1047 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1048 Exchanges. (a) Of roasted coffee. Roasted coffee may be exchanged for other roasted coffee without the surrender of stamps or certificates: *Provided*, That the weights of the roasted coffee exchanged must be equal.

(b) Of green coffee. Green coffee may be exchanged for other green coffee irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12: *Provided*, That the weights of the green coffee exchanged must be equal.

(c) Time limit. Deliveries or shipments of coffee involved in an exchange made pursuant to this section must be made on the same day.

§ 1407.1049 Transfers to certain persons. Any person may transfer without the surrender of coffee stamps or certificates and irrespective of any restriction on the transfer or acquisition of coffee imposed by Ration Order No. 12, coffee to any of the persons enumerated in § 1407.991 (c), subject, however, to the provisions of § 1407.991. The Veterans' Administration and agencies specified in § 1407.991a (a) may acquire green coffee irrespective of any restriction on the transfer or acquisition of green coffee imposed by Ration Order No. 12.

[§ 1407.1049 as amended by Amendment 23, 8 F.R. 2721, effective 3-2-43]

§ 1407.1050 Transfers between establishments owned by same person. Any person may transfer coffee, without the surrender of evidences, between establishments owned by him except between institutional establishments which are registered separately pursuant to General Ration Order 5.

[§ 1407.1050 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1051 Green coffee transferred for roasting. Any person may transfer, irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, green coffee owned by him to another person for roasting and may accept the return of such coffee after it is roasted, without surrendering coffee stamps or certificates.

§ 1407.1052 Transfer of coffee for carriage. (a) Coffee delivered before November 22, 1942, to a carrier may be delivered by the carrier to the person to whom the coffee was consigned or may be redelivered to the consignor without the surrender of certificates or coffee stamps by anyone in connection therewith and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12.

(b) On or after November 22, 1942, coffee may be received by a carrier for carriage without the surrender of certificates or coffee stamps by the carrier and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12. Coffee so received may thereafter be delivered, without the receipt of certificates or coffee stamps by such carrier and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, only to (1) the person from whom it

was received; (2) the person to whom it was consigned; (3) the person to whom the bill of lading or similar instrument, if any, issued in connection with such carriage, has been duly transferred; or (4) connecting carriers for the purpose of such delivery.

(c) Nothing in this section shall be deemed to relieve any person who delivers roasted coffee to a carrier from the obligation to receive evidences from the consignee or other person to whom a transfer is made as a result of such delivery or from any other obligation imposed by Ration Order No. 12.

[Paragraph (c) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43]

§ 1407.1053 Transfer of coffee for storage. (a) Coffee delivered before November 22, 1942, to a public or other warehouse, not an establishment within the meaning of Ration Order No. 12, may at any time, without the surrender of certificates or coffee stamps and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, be redelivered to the person who delivered it to such warehouse, or delivered to the person to whom the warehouse receipt or other similar instrument, if any, issued in connection with such storage, has been duly transferred.

(b) On or after November 22, 1942, any public warehouse may, without surrendering certificates or coffee stamps and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, receive coffee for storage and deliver such coffee to the person from whom it received such coffee or to the person to whom the warehouse receipt or other similar instrument, if any, issued in connection with such storage, has been duly transferred.

[Paragraph (b) as amended by Amendment 1, 7 F.R. 10380, effective 12-16-42]

(c) Nothing in this section shall be deemed to relieve any person who delivers roasted coffee for storage from the obligation to receive evidences from any person other than the warehouseman to whom such roasted coffee is transferred or from any other obligation imposed by Ration Order No. 12.

[Paragraph (c) as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43]

§ 1407.1054 Voluntary or involuntary transfer of establishment. (a) Coffee may be acquired by any person without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12 where, as a consequence of reorganization, liquidation, merger, foreclosure, execution, assignment for the benefit of creditors, bankruptcy, death, devise, bequest, inheritance, or other voluntary or involuntary transfer or sale of an establishment, all or substantially all the assets of such establishment, including good-will, are transferred to such person.

(b) Any person acquiring roasted coffee pursuant to paragraph (a) of this section shall, with respect thereto, be

subject to all obligations of the former owner of the establishment to transfer roasted coffee in exchange for certificates, coffee stamps, or purchase warrants surrendered to such former owner prior to such acquisition and against which the transfer of roasted coffee had not been completed at the time of such acquisition and be entitled to receive certificates, coffee stamps, or purchase warrants equivalent in weight value to any amount by which the quantity of roasted coffee transferred by such former owner to any person prior to such acquisition exceeds in weight value the certificates, coffee stamps, and purchase warrants surrendered by such person. The person acquiring roasted coffee pursuant to paragraph (a) of this section may continue the operation of the establishment, and, if he does so, shall be subject to all the provisions of Ration Order No. 12 applicable thereto. If a person acquiring roasted coffee pursuant to paragraph (a) of this section does not continue the operation of the establishment, such roasted coffee may be transferred by him pursuant to the provisions of § 1407.1061.

§ 1407.1055 Liquidation of establishments. (a) The person in charge of the liquidation of a retail, wholesale, or institutional establishment, which is the sole establishment owned by the owner thereof, and the person in charge of the liquidation of retail or wholesale establishments, which are all the establishments owned by the owner thereof, or institutional establishments, which are all the establishments in a registering unit, shall promptly after the commencement of the liquidation (1) acquire all roasted coffee for which coffee stamps, certificates, or purchase warrants had been surrendered by said owner; (2) transfer all roasted coffee for which coffee stamps, certificates, or purchase warrants had been surrendered to said owner; (3) acquire all coffee stamps, certificates, or purchase warrants to which said owner is entitled by reason of the transfer by him of roasted coffee; and (4) surrender coffee stamps, certificates, or purchase warrants for which roasted coffee has been transferred to said owner. At the completion of the liquidation the person in charge thereof shall surrender to the board for cancellation all certificates, coffee stamps, and purchase warrants held by the establishment or establishments and shall account for any difference between the coffee stamps, certificates, and purchase warrants so surrendered and the allowable inventory of such owner, or, if a registering unit is being liquidated, all certificates on hand or, if such registering unit roasts coffee, all coffee stamps or certificates required to be retained thereby pursuant to Ration Order No. 12. If at the completion of the liquidation the person in charge thereof is unable to surrender, acquire, or transfer coffee stamps, certificates, purchase warrants, or roasted coffee as required by this section, he shall file with the board a complete statement of all the facts and circumstances in connection therewith.

(b) In the event of the liquidation of an institutional establishment, the allotment made thereafter to the registering unit of which said institutional establishment was a part shall be reduced by the amount applicable to such institutional establishment.

(c) Any person who has surrendered certificates, coffee stamps, or purchase warrants to an establishment and who does not, prior to the liquidation of such establishment or within one month after the commencement of such liquidation, receive from the person in charge of such liquidation, pursuant to paragraph (a) (2) of this section, all the roasted coffee for which certificates, coffee stamps, or purchase warrants have been surrendered by such person to the establishment being liquidated may apply to the board for a certificate authorizing the acquisition of the quantity of roasted coffee he has so failed to receive. Before the board may grant any such application, the applicant shall prove, to the satisfaction of the board, the surrender by him of certificates, coffee stamps, or purchase warrants and his failure to receive roasted coffee therefor as claimed.

§ 1407.1055a Limitation on application of §§ 1407.1054 and 1407.1055. Notwithstanding anything to the contrary contained in §§ 1407.1054 and 1407.1055, the provisions of those sections shall not apply to institutional establishments.

[§ 1407.1055a added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1056 Disposal of damaged coffee and undamaged coffee mingled therewith, or coffee in a package, bag, or other container damaged while in transit by common carrier. (a) Coffee which is damaged and undamaged coffee mingled therewith, or coffee which is in a package, bag, or other container damaged while in transit by a common carrier, may be transferred by any person in possession thereof without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12 to (1) any person who has insured such coffee against loss or damage and is duly authorized by law to engage in the insurance business; (2) common or contract carriers in connection with the exercise of the right of subrogation or by virtue of the payment by them of a claim for damage to such coffee or container; and (3) persons engaged principally and primarily in the business of adjusting losses or selling or reconditioning and selling damaged commodities, who take possession of or receive such commodities on the occurrence or imminence of casualties or in connection with the adjustment of losses resulting from casualties.

(b) A person described in paragraph (a) (1), (2), or (3) of this section, acquiring coffee pursuant to said paragraph (a), shall report such fact in writing to the board having jurisdiction over the area in which its principal business office is located. The report shall also state the disposition proposed to be made of such coffee.

(c) Following such report, undamaged coffee which has been mingled with, but which can be and is separated from damaged coffee, or coffee which is in a package, bag, or other container damaged while in transit by common carrier, may be disposed of by such person, but only, if the coffee is green coffee, to a person who is a roaster or who is and was prior to November 22, 1942, a green coffee dealer, or, if the coffee is roasted coffee, as follows:

(1) It may be transferred, without the receipt of coffee stamps or certificates, in the manner provided in §§ 1407.1052, 1407.1053, or 1407.1060.

(2) It may be transferred upon receipt of coffee stamps or certificates as prescribed in Ration Order No. 12 and the coffee stamps or certificates thus received shall be surrendered to the board for cancellation within five days of receipt.

(3) An institutional or Class A industrial user may use such roasted coffee subject to the provisions of § 1407.1002 (b).

[Paragraph (3) as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1057 Replacement of damaged, destroyed, lost or stolen coffee or coffee in a package, bag, or other container damaged while in transit. (a) A person, other than a consumer, whose damaged roasted coffee and undamaged roasted coffee mingled therewith is transferred pursuant to § 1407.1056 (a), or whose roasted coffee is destroyed, lost, or stolen may obtain certificates in weight value equal to the original weight of such roasted coffee. A person, other than a consumer, whose roasted coffee, in a package, bag, or other container damaged while in transit by common carrier, is transferred pursuant to § 1407.1056 (a) may obtain certificates in weight value equal to the amount of roasted coffee in such package, bag, or other container before it was damaged. A person, other than a consumer, whose roasted coffee, although in a package, bag, or other container damaged while in transit by common carrier, was not transferred pursuant to § 1407.1056 (a), or was in a package, bag, or other container damaged in any other manner may obtain certificates in weight value equal to the amount of roasted coffee lost from the package, bag, or other container because of such damage.

(b) Written application shall be made by such a person to the board stating facts which establish compliance with the requirements of paragraph (a) of this section and including such other information as the board may require.

§ 1407.1058 Recovery of lost or stolen coffee. (a) Coffee which has been lost or stolen may be recovered without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12 by the person rightfully in possession of such coffee when it was lost or stolen or by a person who has insured such coffee against loss or theft and is duly authorized by law to engage

in the insurance business or by a common or contract carrier in connection with the exercise of the right of subrogation or by virtue of the payment by it of a claim for such loss or theft. Such recovery may be made directly or through a Government agency or other person authorized to secure such recovery.

(b) A person recovering lost or stolen roasted coffee for which he has obtained a certificate pursuant to § 1407.1057 shall report such fact in writing to the board. The report shall also state the amount of such roasted coffee and the disposition proposed to be made of it. Such roasted coffee may thereafter be disposed of by such person but only in the manner provided by § 1407.1056 (c) (1), (2), and (3).

(c) An insurer or carrier recovering lost or stolen coffee shall report such fact in writing to the board having jurisdiction over the area in which its principal office is located. The report shall also state the amount of such coffee and the disposition proposed to be made of it. Such coffee may thereafter be disposed of by such person but only in the manner provided by paragraphs (c) (1), (2), and (3) of § 1407.1056.

§ 1407.1059 Surrendering certificates to the board for cancellation. Where roasted coffee which had been transferred pursuant to §§ 1407.1049 or 1407.1060 is returned to the person from whom it was acquired and such person has obtained from the board certificates authorizing the acquisition of roasted coffee to replace such roasted coffee, such person shall surrender to the board for cancellation certificates or coffee stamps in weight value equal to the weight of the roasted coffee so returned.

§ 1407.1060 Acquisition of coffee by judicial process, by operation of law and for security and similar purposes; enforcement—(a) Acquisition by judicial process, by operation of law, and by the exercise of statutory rights or powers. Coffee may be acquired by, or a lien created thereon in favor of, the following persons and in the following cases without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12: (1) any person pursuant to judicial process or an order issued by a court of competent jurisdiction or by operation of law; (2) a State or political subdivision or agency thereof or by the United States or any agency thereof in the enforcement or exercise against such coffee of statutory rights or powers.

(b) *Creation of security interests and liens.* Coffee may be acquired for security purposes by, or a lien created thereon for security purposes in favor of, the following persons and in the following cases without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12: (1) a State or political subdivision or agency thereof or the United States or any agency thereof or any person duly licensed to engage in the business of making loans upon collateral and

regulated in conducting such business by a State or the United States; (2) any person where the security interest arises or is transferred with respect to all or substantially all the coffee of an establishment.

(c) *Assignments prohibited.* Nothing in this section shall be deemed to permit any person to acquire, without coffee stamps or certificates or irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, an interest in coffee in connection with or as a consequence of an assignment of less than the entire debt secured by such coffee.

(d) *Release or return.* Except as otherwise provided in Ration Order No. 12, coffee or any interest therein or lien thereon acquired pursuant to paragraphs (a) or (b) of this section may be returned to the person from whom it was acquired or released without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12 or such coffee may be used or transferred pursuant to the provisions of § 1407.1061.

(e) *Enforcement of security.* Any person who has acquired coffee or in whose favor a lien thereon has been created under the authority of this section, or who holds a lien on or security interest in coffee created prior to November 22, 1942, may enforce such security, lien, or other interest in the manner provided by applicable State or Federal laws. Transfers necessary for the enforcement thereof may be made to such person, without the surrender of coffee stamps or certificates and irrespective of any restriction on the acquisition of green coffee imposed by Ration Order No. 12, or to other persons, with respect to roasted coffee, upon receipt of appropriate coffee stamps or certificates (except as otherwise provided in Ration Order No. 12) to be disposed of as provided in § 1407.1061, or, with respect to green coffee, to persons authorized to acquire such coffee by Ration Order No. 12. Roasted coffee acquired by such person hereunder may not be used by such person and may not be transferred except pursuant to § 1407.1061.

§ 1407.1061 Disposal of roasted coffee acquired without coffee stamps or certificates. Any person who acquires roasted coffee without the surrender of coffee stamps or certificates, pursuant to § 1407.1060, may thereafter, if an institutional or Class A industrial user, use such roasted coffee subject to the provisions of § 1407.1002 (b) or may transfer such roasted coffee only upon surrender to him of appropriate coffee stamps or certificates, except as otherwise expressly permitted by Ration Order No. 12. Such coffee stamps or certificates shall, within five days after each such transfer, be surrendered for cancellation to the State Director of the State in which such person resides or in which his principal business office is located.

[§ 1407.1061 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1062 Obtaining certificates to replace roasted coffee acquired pursuant to § 1407.1060. When roasted coffee of a person who does not roast such coffee, has been acquired by another person without the surrender of coffee stamps or certificates, pursuant to § 1407.1060, the person from whom such roasted coffee has been acquired may apply to the board for a certificate in weight value equal to the weight of the roasted coffee acquired from him. Before the board may grant any such application, the applicant shall prove to the satisfaction of the board that the roasted coffee was acquired from him under the conditions described in § 1407.1060 and has not been returned to him.

PETITIONS FOR ADJUSTMENT; NEW BUSINESS

§ 1407.1065 Petitions for adjustment of base, allotment, inventory, or allowable inventory. (a) Any person may petition the board in writing for an adjustment of his base, allotment, inventory, or allowable inventory. Such petition shall state the name and address of the petitioner, the adjustment sought by him, the grounds on which the adjustment is sought, and any other facts deemed pertinent by such person. The board may request such additional information as it may deem pertinent and shall, within ten days after the receipt of the petition, send it, together with all relevant and material evidence and information received by the board, to the district office (or where there is none, to the State Director), or take such other action as the Office of Price Administration may direct.

(b) The district office (or the State Director) shall forward the petition, together with all other material concerning the petition received from the board, to the Regional Administrator, or take such other action as the Office of Price Administration may direct. The Regional Administrator shall forward the petition, together with all other material concerning the petition received from the State Director to the Office of Price Administration, Washington, D. C., for appropriate action, or take such other action as the Office of Price Administration may direct. The petitioner may be requested to furnish further information and to appear personally.

[Paragraphs (a) and (b) as amended by Amendment 8, 8 F.R. 978, effective 1-19-43]

(c) No institutional user may petition for adjustment of his roasted coffee base or allotment pursuant to this section.

[Paragraph (c) added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1066 New establishments—(a) Retail establishments. (1) Any person desiring to obtain coffee for a retail establishment owned by him which commenced or will commence operations on or after November 22, 1942, may petition the board having jurisdiction over the area in which such person's principal business office is located for assignment to such person for such establishment of an allowable inventory.

(2) The board shall assign to the owner of such establishment an allowable inventory of coffee, not to exceed one pound of coffee for every ten dollars of the estimated gross sales, of all meats, groceries, fruits, vegetables, and similar products, to be made by said establishment in the first month of its operations, and shall issue to such owner a certificate or certificates in a weight value equal to such allowable inventory.

(3) Within ten days after the completion of its first two full months of operations the establishment shall report to the board its average monthly gross sales of all meats, groceries, fruits, vegetables, and similar products. If such report shows that the allowable inventory assigned by the board with respect to such establishment pursuant to paragraph (a) (1) of this section is greater than one pound of coffee for every ten dollars of such average monthly gross sales, the board shall reduce the allowable inventory to such amount and the establishment shall surrender to the board for cancellation coffee stamps or certificates in weight value equal to the amount of such reduction. If such report shows that the allowable inventory assigned to such establishment by the board pursuant to paragraph (a) (1) of this section is less than one pound for every ten dollars of such average monthly gross sales, the board shall increase the allowable inventory to such amount by issuing additional certificates to the establishment.

(b) *Wholesale establishments.* Any person desiring to obtain coffee for a wholesale establishment owned by him which commenced or will commence operations on or after November 22, 1942, may petition the Office of Price Administration, Washington, D. C., for assignment to him for such establishment of an allowable inventory. The petition shall state the name and address of the owner, the location or proposed location of the establishment, the value or estimated value of all meats, groceries, fruits, vegetables, and similar products on hand or to be acquired by such establishment, whether the establishment will roast coffee, the estimated transfers (in pounds) by the establishment during the first month of its operations of roasted coffee to be acquired by the establishment as roasted, and the estimated transfers (in pounds) by the establishment during the first month of its operations of roasted coffee roasted by the establishment.

REPORTS AND RECORDS

§ 1407.1068 *In general.* All persons who transfer or acquire coffee shall maintain such records and make such reports as Ration Order No. 12 requires and as the Office of Price Administration may from time to time require. Unless otherwise indicated in Ration Order No. 12, such records shall be maintained for a period of not less than two years and shall be available during such period for inspection by the Office of Price Administration.

§ 1407.1069 *By retailers and wholesalers.* (a) Every retailer and wholesaler shall maintain records of (1) all roasted and green coffee acquired by him on or after November 22, 1942, the names and addresses of the persons from whom such coffee was acquired, and the date and amount of each acquisition thereof; (2) the names and addresses of all persons, except consumers, to whom green and roasted coffee was transferred and the date and amount of each transfer; (3) the names and addresses of all persons to whom purchase warrants were surrendered and the date and amount of each purchase warrant so surrendered; (4) the names and addresses of all persons from whom purchase warrants were received and the date and amount of each purchase warrant so received; and (5) the amounts of his initial and allowable inventories of coffee. Each retailer and wholesaler shall also preserve all existing sales and other records upon which the computations of his initial and allowable inventories are based.

(b) Every retailer or wholesaler who roasts green coffee shall, on or before December 31, 1942, report, on O. P. A. Form R-1203, the following: (1) the information contained in his records maintained pursuant to paragraphs (a) (3) and (a) (5) of this section; (2) the computations of his initial and allowable inventories; and (3) such other information as is called for by said form. Such form shall be prepared in triplicate. The original thereof shall be filed with the Office of Price Administration, Washington, D. C.; the duplicate copy with the Board; and the triplicate copy shall be retained by the person making the report at his principal business office.

(c) Every retailer and wholesaler who does not roast green coffee shall, on or before December 31, 1942, report to the Board, on O. P. A. Form R-1202, the following: (1) the information contained in his records maintained pursuant to paragraphs (a) (3) and (a) (5) of this section; (2) the computations of his initial and allowable inventories; and (3) such other information as is called for by said form.

[Paragraph (b) as amended, paragraph (c) added by Amendment 5, 8 F.R. 167, effective 1-8-43]

§ 1407.1070 *By institutional and industrial users.* Every institutional user and every industrial user shall maintain a record showing by months, the amounts of green and roasted coffee acquired by him and the names and addresses of the persons from whom such coffee was acquired, the amount of green coffee roasted by him, and, in the case of a Class B industrial user, the amount of coffee used by him in products transferred by him.

[§ 1407.1070 as amended by Amendment 22, 8 F.R. 2677, effective 3-1-43]

§ 1407.1071 *By persons transferring or acquiring green coffee.* (a) Every person, not a retailer or a wholesaler, who transfers or acquires green coffee shall keep a record of the dates and amounts of such

transfers and acquisitions and of the names and addresses of the persons to whom green coffee was transferred and from whom green coffee was acquired by him.

(b) Every person, other than the Army, Navy, Marine Corps, and Coast Guard, and Commodity Credit Corporation, who transfers or acquires green coffee shall monthly, beginning in January 1943, prepare a report in triplicate, showing, with respect to the previous month, (1) the names and addresses of the persons to whom green coffee was transferred and from whom green coffee was acquired, together with the dates and amounts of such transfers and acquisitions, and (2) his inventory of green and roasted coffee as of the first day of the month in which the report is prepared.

[Paragraph (b) as amended by Amendment 16, 8 F.R. 2032, effective 2-19-43]

(c) The report referred to in paragraph (b) of this section shall be prepared on O. P. A. Form R-1205 and shall contain, in addition to the information required by paragraph (b) of this section, such other information as is called for by such form. The original and duplicate of each such report shall be sent to the Office of Price Administration, Washington, D. C., not later than the tenth day of each month; the triplicate copy shall be retained by the person reporting: *Provided, however,* That the report for the month of December 1942, which shall include the required information for the period from November 22 to December 31, 1942, inclusive, need not be sent to the Office of Price Administration prior to January 30, 1943.

[Paragraph (c) as amended by Amendment 6, 8 F.R. 621, effective 1-21-43]

§ 1407.1072 *Miscellaneous records.* Any person required to make a report pursuant to §§ 1407.1056 or 1407.1058 shall preserve at his principal business office records of all coffee acquired or transferred by him pursuant to those sections, the persons by or to whom such transfers were made and the amounts thereof, the weight value of all coffee stamps, certificates, and checks received by him for such transfers, the serial numbers of such certificates, and the amount of roasted coffee transferred against such coffee stamps, certificates, and checks.

[§ 1407.1072 as amended by Amendment 12, 8 F.R. 1286, effective 1-27-43]

§ 1407.1073 *Disclosure of information.* (a) Information and documents obtained under Ration Order No. 12 will not be disclosed, in response to subpoena or otherwise, to any person other than the person furnishing such information or documents unless the Administrator or an officer or employee of the Office of Price Administration designated by the Administrator (1) determines that the requested disclosure is not contrary to any provision of law and (2) consents to such disclosure.

MISCELLANEOUS

§ 1407.1075 Administration. Ration Order No. 12 shall be administered by the Office of Price Administration, its Regional Administrators, State Directors, war price and rationing boards, and such other administrative personnel as it may designate.

§ 1407.1076 Powers and duties. The persons appointed to administer Ration Order No. 12 or to assist therein shall have such powers and duties as are herein described and as the Office of Price Administration has assigned and may from time to time assign.

§ 1407.1077 Imports of roasted coffee. (a) Roasted coffee may be brought to a place subject to Ration Order No. 12 from a place not subject to Ration Order No. 12, if it is delivered to the Collector of Customs at the point of entry into the United States. Such roasted coffee may be delivered to the Collector of Customs without the receipt of coffee stamps or certificates.

(b) The Collector of Customs may transfer roasted coffee thus received by him to any person importing such roasted coffee upon the receipt of coffee stamps or certificates in weight value equal to the weight of the roasted coffee transferred. When coffee stamps are surrendered to the Collector of Customs by a consumer importing the roasted coffee, the Collector of Customs shall detach from the war ration book of such consumer one coffee stamp for each pound of roasted coffee imported, in the following order: 27, 28, 25, 26, 23, 24, 21, 22, 19, 20. Coffee stamps or certificates so received by the Collector of Customs shall be delivered, at least once each calendar month, to the State Director of the State in which such point of entry is located.

[Paragraph (b) as amended by Amendment 13, 8 F.R. 1741, effective 2-12-43]

(c) Except as otherwise permitted in Ration Order No. 12, no person shall bring roasted coffee into a place subject to Ration Order No. 12 from a place not subject to Ration Order No. 12 or receive roasted coffee from the Collector of Customs.

§ 1407.1078 Weight computation formulae—(a) Basis of computations. In applying for and issuing certificates, issuing purchase warrants, and computing initial and allowable inventories, coffee bases, and allotments, all weights of coffee shall be stated in terms of roasted coffee.

(b) **Conversion—(1) Green coffee into terms of roasted coffee.** Whenever it is necessary, for the purpose of Ration Order No. 12, to compute the weight of green coffee in terms of weight of roasted coffee, such computation shall be made by multiplying the weight of the green coffee by .84.

(2) **Roasted coffee into terms of green coffee.** Whenever it is necessary, for the purpose of Ration Order No. 12, to compute the weight of roasted coffee in terms of weight of green coffee, such computa-

tion shall be made by multiplying the weight of the roasted coffee by 1.19.

§ 1407.1079 Appeals. (a) Any person directly affected by the action of a board, State Director, or Regional Administrator taken with reference to any application, petition, or other matter before such board, State Director, or Regional Administrator under Ration Order No. 12 may appeal from such action in accordance with Procedural Regulation No. 9.

(b) This section shall not apply to any action taken with respect to petitions made pursuant to §§ 1407.1065 or 1407.1066, except action taken with respect to such a petition by the board, State Director, or Regional Administrator in cases where the board or official taking the action has been authorized by the Office of Price Administration to grant or deny such petition.

§ 1407.1080 Persons authorized to sign reports, forms, purchase warrants. Registration forms, petitions, applications, reports, purchase warrants, and any other documents required by Ration Order No. 12 to be signed by retailers, wholesalers, or industrial or institutional users may be signed by an owner, a partner (if the owner is a partnership), an officer (if the owner is a corporation, association, or similar organization), a manager of the owner, or any authorized agent of the owner.

§ 1407.1081 Communications. All petitions and reports required by Ration Order No. 12 to be made to the Office of Price Administration, Washington, D. C., and all other communications concerning Ration Order No. 12 sent to the Washington, D. C., office of the Office of Price Administration shall be addressed to: Office of Price Administration, Attn: Food Rationing Division, Washington, D. C.

§ 1407.1082 Duties, rights, obligations of establishments and registering units. When the provisions of Ration Order No. 12 impose or confer duties, rights, or obligations upon an establishment or registering unit, such duties, rights, and obligations shall be considered as being conferred or imposed upon the person owning such establishment or registering unit with respect thereto.

§ 1407.1083 Additional prohibitions. (a) No person shall, except in accordance with Ration Order No. 12 or other ration order of the Office of Price Administration, deface, mutilate, alter, or destroy any coffee stamp, war ration book, purchase warrant, certificate, or any other document or record provided for in Ration Order No. 12.

(b) No person shall transfer, acquire, possess, or use coffee except in accordance with the provisions of Ration Order No. 12.

(c) No person shall or shall cause another person to offer, solicit, attempt, or agree to do any act in violation of Ration Order No. 12.

[Paragraph (c) as amended by Amendment 2, 7 F.R. 11071, effective 1-2-43]

(d) No person shall, in any application, petition, inventory, certificate, report, or other statement or record made pursuant to or required by the provisions of Ration Order No. 12, make any untrue statement of any fact, or omit to state any fact required to be stated therein or necessary to make the statements therein not misleading.

§ 1407.1084 Army, Navy, Marine Corps, and Coast Guard Post Exchanges, Commissaries, and Ships' Service Stores—(a) Ration banking. Army Exchanges, Post Exchanges of the Marine Corps, and Ships' Service Departments Ashore of the Navy and Coast Guard, and other similar activities designated by the respective exempt agencies, which transfer roasted coffee, shall open ration bank accounts but may not open exempt accounts of the type described in General Ration Order 3B. Ration credits necessary for the acquisition of roasted coffee by such Army Exchanges, Post Exchanges, Ships' Service Departments Ashore, and similar activities will be created as a result of arrangements between the Office of Price Administration and the Army Exchange Service of the United States War Department and the Bureau of Naval Personnel of the Navy Department, the Marine Corps, and the Coast Guard. Ration credits may be transferred, by the issuance of checks and without the transfer of coffee, between accounts maintained for Army Exchanges, between accounts maintained for Post Exchanges, between accounts maintained for Ships' Service Departments Ashore of the Navy, and between accounts maintained for Ships' Service Departments Ashore of the Coast Guard. (Establishing ration credits for use by Army Exchanges, Post Exchanges, and Ships' Service Departments Ashore for the acquisition of roasted coffee for institutional use is covered by General Ration Order 5.)

(b) **Acquiring and transferring roasted coffee.** Army Exchanges, Post Exchanges, Ships' Service Departments Ashore, Sales Commissaries, and Commissary Stores, and any other activity of the Army, Navy, Marine Corps, and Coast Guard and the Food Distribution Administration may transfer roasted coffee and shall, with respect to such transfers, be governed by the provisions of Ration Order No. 12 governing transfers of roasted coffee by retailers and wholesalers. Such Army Exchanges, Post Exchanges, Ships' Service Departments Ashore, Sales Commissaries, or any other activity of the Army, Navy, Marine Corps, or Coast Guard, or the Food Distribution Administration may acquire roasted coffee for such purpose only upon the issuance by it of appropriate ration checks: *Provided, however,* That during the month of March 1943, Army Exchanges, Post Exchanges, Ships' Service Departments Ashore and similar designated activities may, if ration checks are unavailable, issue emergency acknowledgments, as described in § 1407.991a (d). The person to whom such emergency acknowledgment is is-

sued shall not use it to acquire coffee, but shall exchange it for a ration check at the activity designated thereon. Coffee stamps and certificates surrendered to Army Exchanges, Post Exchanges, Ships' Service Departments Ashore, Sales Commissaries, or any other activity of the Army, Navy, Marine Corps, or Coast Guard or to the Food Distribution Administration shall be deposited in the accounts maintained for them and, except as provided in § 1407.1032 (f), the ration credits created by such deposit may then be used to acquire roasted coffee.

[§ 1407.1084 as amended by Amendment 23, 8 F.R. 2721, effective 3-2-43]

§ 1407.1084a Issuance of certificates to investigatory agencies. (a) Any investigatory or enforcement agency of a state or local government which requires transfers of roasted coffee for the performance of its functions shall, upon request therefor, receive from the board located in the area in which the agency is situated, certificates in the amounts desired.

(b) Any investigatory or enforcement agency of the United States which requires transfers of roasted coffee for the performance of its functions shall, upon request therefor, receive from the Director of the Food Rationing Division of the Office of Price Administration or from such other person as may be designated by him, certificates in the amounts desired.

(c) Roasted coffee acquired by any investigatory or enforcement agency pursuant to this section, may be transferred by it to any federal, state, or local institution, which shall acknowledge receipt of such roasted coffee and the amount thereof to the board which issued the certificate or, if the certificate was issued by the Director of the Food Rationing Division of the Office of Price Administration or a person designated by him, to said Director.

[§ 1407.1084a added by Amendment 1, 8 F.R. 10380, effective 12-16-42]

ENFORCEMENT

§ 1407.1085 Removal of coffee stamps from war ration books of persons under 14 years old. (a) Notwithstanding anything to the contrary contained in Ration Order No. 12, where the age shown on any War Ration Book One is under 14 years, all coffee stamps shall be removed therefrom at the time War Ration Book Two is issued. For every coffee stamp missing from such a War Ration Book One, one coffee stamp shall be removed from the War Ration Book One of the parent, guardian, or other adult person in whose household the minor lives and in whose custody his War Ration Book One has been kept. However, the board may waive this requirement if it finds that the coffee stamps are missing because they were removed prior to issuance of the war ration book or were removed by misunderstanding or by accident at any other time, and that they were not used to acquire coffee. The board shall destroy all coffee stamps it

detaches from war ration books pursuant to this paragraph.

[Paragraph (a) as amended by Amendment 18, 8 F.R. 2154, effective 2-20-43]

(b) Any action taken by the board pursuant to this section shall be in addition to any penalties provided by law for violation of Ration Order No. 12.

§ 1407.1086 Criminal prosecutions.

(a) Any person who wilfully performs any act prohibited, or wilfully fails to perform any act required by any provision of Ration Order No. 12, may upon conviction be fined not more than \$10,000.00, or imprisoned for not more than one year, or both, and shall be subject to such other penalties as may be prescribed by law.

(b) Any person who knowingly falsifies an application, or any other record, report, purchase warrant, or certificate made pursuant to or required by the terms of Ration Order No. 12, or who otherwise knowingly furnishes false information concerning a material fact within the jurisdiction of the Office of Price Administration to any board, or any other agent, employee, or officer of the Office of Price Administration, or who attempts by the use of a trick, scheme, or device to conceal or cover up such a material fact within the jurisdiction of the Office of Price Administration, may upon conviction be fined not more than \$10,000.00, or imprisoned for not more than ten years, or both, and shall be subject to such other penalties as may be prescribed by law. Any person who conspires with another person to perform any of the foregoing acts may upon conviction be fined not more than \$10,000.00, or imprisoned for not more than two years, or both, and shall be subject to such other penalties as may be prescribed by law.

§ 1407.1087 Suspension orders. Any person who violates Ration Order No. 12 may, by administrative suspension order, be prohibited from acquiring, transferring, or using any coffee or other rationed product for such period as in the judgment of the Administrator, or such person as he may designate for such purpose, is necessary or appropriate in the public interest and to promote the national security.

[§ 1407.1087 as amended by Amendment 2, 7 F.R. 11071, effective 1-2-43]

§ 1407.1088 Report of violations. Any person may report a violation of Ration Order No. 12 to a war price and rationing board, a State Director, a Regional Administrator of the Office of Price Administration, or to the Office of Price Administration, Washington, D. C.

§ 1407.1089 Saving clause. No provision of any amendment to Ration Order No. 12 (unless such amendment otherwise expressly provides) effecting the dissolution of registering units, resulting in the amendment or cancellation of registrations, placing persons or establishments once subject to Ration Order No. 12 under another order, or removing limitations or restrictions theretofore

imposed by Ration Order No. 12 from persons, establishments, or registering units shall be deemed to (1) excuse the failure to discharge or perform any duty or obligation or (2) condone any acts or omissions to act, by any person, establishment, or registering unit, prior to the effective date of such amendment.

[§ 1407.1089 added by Amendment 22, 8 F.R. 2677, effective 3-1-43]

EFFECTIVE DATE

§ 1407.1090 Effective date of Ration Order No. 12. Ration Order No. 12 (§§ 1407.951 to 1407.1092, inclusive) shall become effective 12:00 p. m., November 21, 1942. [Issued November 20, 1942.]

§ 1407.1090a Effective dates of amendments.

[Effective dates of amendments are shown in notes following parts affected.]

SCHEDULES

§ 1407.1091 Designation of ration periods and of coffee stamps valid therein.

Ration period	Coffee stamp valid during ration period
November 29, 1942, to January 3, 1943, inclusive.	Coffee Stamp No. 27.
January 4, 1943, to February 7, 1943, inclusive.	Coffee Stamp No. 28.
Feb. 8, 1943, to Mar. 21, 1943, inclusive.	Coffee Stamp No. 25.
March 22, 1943, to April 25, 1943, inclusive.	Coffee Stamp No. 26.

[§ 1407.1091 as amended by Amendment 4, 8 F.R. 28, effective 12-30-42, Amendment 14, 8 F.R. 1631, effective 2-3-43, and Amendment 24, effective 3-22-43]

§ 1407.1092 Allotment percentage for Class A industrial users.

Period	Percentage of base
For period from date of registration to January 31, 1943, inclusive.	100
Feb. 1, 1943, to Feb. 28, 1943, inclusive.	40
March 1, 1943, to April 30, 1943, inclusive.	80

[§ 1407.1092 as amended by Amendment 7, 8 F.R. 566, effective 1-13-43, Amendment 17, 8 F.R. 2027, effective 2-12-43 and Amendment 22, 8 F.R. 2677, effective 3-1-43]

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4236; Filed, March 18, 1943; 4:57 p. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Restriction Order 1, Amendment 17]

MEAT RESTRICTION

A rationale for this amendment has been issued simultaneously herewith and

[7 F.R. 7839, 8217, 8524, 9247, 9250, 9639, 10258, 10621, 10704; 8 F.R. 179, 375, 926, 1204, 1279, 2274, 2498.]

has been filed with the Division of the Federal Register.*

A new paragraph (f) is added to § 1407.902 and a new paragraph (d) is added to § 1407.904 as set forth below:

§ 1407.902 *Deliveries of slaughterers restricted.* *

(f) Any slaughterer may, during any quota period, charge deliveries of lamb and mutton slaughtered within the states of California, Nevada, Oregon and Washington against any unused portion of his quota for such period for any other type of controlled meat in an amount not exceeding 20% of his quota for such type.

§ 1407.904 *Deliveries of non-quota slaughterers restricted.* *

(d) Any non-quota slaughterer may, during any quota period, charge deliveries of lamb and mutton slaughtered within the states of California, Nevada, Oregon and Washington against any unused portion of his restricted deliveries of any other type of controlled meat permitted for such period by paragraph (a) of this section in an amount not exceeding 20% of his restricted deliveries of such type.

This amendment shall become effective March 24, 1943.

(Pub. Law 671, 76th Cong., 3rd Sess., as amended by Pub. Law 89, 77th Cong., 1st Sess., and by Pub. Law 507, 77th Cong., 2nd Sess., Pub. Law 421, 77th Cong., 2nd Sess., Pub. Law 729, 77th Cong., 2nd Sess., WPB Directive No. 1, Supp. Dir. No. 1-M, 7 F.R. 562, 7234)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4228; Filed, March 18, 1943;
4:53 p. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Restriction Order 2]

RICE RESTRICTION: ORDER OF REVOCATION

Restriction Order 2 (§§ 1407.3001 to 1407.3014, inclusive) is hereby revoked. This order of revocation shall become effective March 8, 1943.

(WPB Dir. No. 1 issued January 24, 1943 and Supp. Dir. No. 1-J, as amended, issued October 29, 1942)

Issued this 8th day of March 1943.

WILLIAM B. MEAD,
Director,
Office of Price Administration
for Puerto Rico.

[F. R. Doc. 43-4234; Filed, March 18, 1943;
4:57 p. m.]

*Copies may be obtained from the Office of Price Administration.

No. 56—5

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Restriction Order 3,* Amendment 2]

CANNED MEAT AND CANNED FISH

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

In Restriction Order 3, section 2 (a) is amended; section 3 (b) is amended; a new paragraph (c) is added to section 3; section 7 (a) is amended to read as set forth below:

SEC. 2 *Transfers of canned meat and canned fish to exempt persons and agencies are permitted.* (a) Any person or government agency is an exempt person or exempt agency with respect to canned meat or canned fish obtained by or for it for export to, and consumption or use in any foreign country or any territory or possession of the United States other than the District of Columbia or for use as ship's stores for consumption aboard an ocean-going vessel engaged in the transportation of cargo or passengers in foreign, coastwise or intercoastal trade. The other exempt agencies for the purposes of this Order are the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, War Shipping Administration, Maritime Commission, Panama Canal, Civil Aeronautics Authority, National Advisory Committee for Aeronautics, Office of Scientific Research and Development, Food Distribution Administration and Office of Lend-Lease Administration.

SEC. 3 *Transfers of canned meat and canned fish to wholesalers are permitted.* *

(b) Any person may transfer canned fish to a wholesaler. Wholesalers may acquire canned fish.

(c) Any person may transfer canned meat to a wholesaler provided that no person shall transfer to wholesalers more than 50%, by weight, of all canned meat produced or acquired by him since, and held by him in inventory at the close of business on, February 17, 1943. Any wholesaler may acquire canned meat unless he knows or has reason to believe that the transfer is in violation of this paragraph.

SEC. 7 *Certain wholesalers must report their inventories of canned meat and canned fish held on February 17, 1943.* (a) Certain persons were required to file with the Bureau of the Census, Washington, D. C., before February 12, 1943, a report showing, for January 1943, their stocks and receipts of canned and preserved foods. (These reports were to be made on OPA Forms CF-1 and CF-2.) Wholesalers who complied with this re-

quirement need not file the inventory report required by this section.

* * * * *

This amendment shall become effective March 24, 1943.

(Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong., and by Pub. Law 507, 77th Cong., Pub. Law 421, 77th Cong., as amended by Pub. Law 729, 77th Cong., Executive Order No. 9125, 7 F.R. 2719; Executive Order No. 9280, 7 F.R. 10179; WPB Directive No. 1, 7 F.R. 462, and Supplementary Directive No. 1-M, 7 F.R. 7234; and Food Directive No. 1, 8 F.R. 827)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4230; Filed, March 18, 1943;
4:53 p. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Restriction Order 4]

FOOD COMMODITIES RESTRICTION

Pursuant to the authority vested in the Office of Price Administration by Directive No. 1 of the War Production Board issued January 24, 1942; Supplementary Directive 1-J, as amended, issued October 29, 1942; and Food Directive No. 3 of the Secretary of Agriculture issued February 15, 1943;

Sec.

- 1407.5002 Definitions.
- 1407.5003 Territorial limitations.
- 1407.5004 Scope of restrictions.
- 1407.5005 Personnel.
- 1407.5006 Transfers of commodities restricted.
- 1407.5007 Quotas and allotments.
- 1407.5008 Security transfers.
- 1407.5009 Quotas and allotments established.
- 1407.5010 Application for adjustment.
- 1407.5011 Prohibited acts.
- 1407.5012 Discrimination.
- 1407.5013 Transfers to consumers.
- 1407.5014 Criminal prosecution.
- 1407.5015 Suspension orders.
- 1407.5016 Communications.
- 1407.5017 Effective date.

AUTHORITY: §§ 1407.5002 to 1407.5017, inclusive, issued under Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong., W.P.B. Dir. No. 1, Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871, Supp. Dir. No. 1-J, 7 F.R. 8731, E.O. 9280, 7 F.R. 10179, F.D. No. 3, 8 F.R. 2005.

It is hereby ordered, That:

§ 1407.5002 Definitions. (a) "Baker" means an industrial or institutional user or that portion of such user's operation which uses a shortening in the production or manufacture of bread, crackers, pastries, confections and similar comestible articles.

(b) "Certificate" means a purchase certificate for the acquisition of a specific quantity of a commodity.

(c) "Commodity" means any food commodity which is subject to the provisions of this order.

(d) Commodities subject to the provisions of this order are defined as follows:

(1) "Shortening" means standard shortening, or hydrogenated shortening as defined in § 1351.151 of Revised Price Schedule No. 53 as amended.¹

(2) "Lard" means loose lard, prime steam lard, cash lard, rendered pork fat, refined rendered pork fat, base or standard commercial refined lard, special refined hardened lard, open kettle rendered lard, neutral lard, lard flakes, rendered pork fat flakes, F. S. C. C. lard and tare, as defined in § 1351.151 of Revised Price Schedule No. 53 as amended.

(3) "Rice" means milled rice as defined in § 1351.461 (a) (4) and (5) of Maximum Price Regulation No. 150 as amended.²

(e) "Consumer" means a person acquiring or seeking to acquire a commodity for personal consumption.

(f) "Deliver" means to transfer physical possession of a commodity to another person.

(g) "Director" means the Director of the Office of Price Administration for Puerto Rico or any person duly authorized to act in his place.

(h) "Establishment" means the business or operation subject to restriction order conducted at or from a particular location.

(k) "Importer" means any person who imports a commodity into the Territory of Puerto Rico or the agent of any importer.

(l) "Industrial user" means an establishment which receives a commodity for use in the production, manufacture, cooking or processing of any food for resale or service.

(m) "Institutional user" means an establishment which receives a commodity for feeding persons housed within a non-profit institution such as a hospital, school, convent or prison.

(n) "Person" means any individual, partnership, corporation, association or entity and includes the United States or any agency thereof, the Insular Government or any agency thereof.

(o) "Retailer" means any person who makes any portion of his sales of the commodity direct to consumers.

(p) "Transfer" means sell, lease, lend, trade, give, ship, or deliver, in any way the ownership or possession of a commodity or any interest therein from one person to another person. It includes diverting to consumer use, a commodity held for sale or transfer whether or not a change in ownership or possession results.

§ 1407.5003 Territorial limitations. Restriction order shall apply to the Territory of Puerto Rico.

§ 1407.5004 Scope of restrictions. (a) Nothing in Restriction Order 4 shall be construed to limit the quantity of a commodity which may be acquired by

the Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Commission for Aeronautics and the Office of Scientific Research and Development or Government agencies or other persons acquiring such commodity for export to or use in any foreign country.

§ 1407.5005 Personnel. (a) Restriction Order 4 shall be administered by the Office of Price Administration for Puerto Rico through local war price and rationing boards in Puerto Rico and such other administrative personnel as it may designate.

§ 1407.5006 Transfers of commodities restricted. (a) Notwithstanding the terms of any contract, agreement or commitment, regardless of when made, no retailer shall transfer to consumers, nor shall any institutional user or industrial user of a commodity use, during any quota period, more of a food commodity than the quota of such establishment for such period as determined by Restriction Order 4.

(b) The following commodities, as defined in § 1407.5002 are subject to the provisions of Restriction Order 4: (1) Shortening, (2) lard, (3) rice.

§ 1407.5007 Quotas and allotments. (a) The duration of each quota period and the quotas and allotments of consumers and establishments eligible to receive a commodity shall be determined by the Director in accordance with the available supplies of such commodity.

(b) The local war price and rationing board having jurisdiction over the area in which a retailer, industrial user or institutional user is established, shall issue a purchase certificate on OPA Form No. PRF-3 revised, authorizing such retailer, industrial or institutional user to acquire prior to the expiration date set forth in such certificate a specific quantity of a specified commodity, such quantity to be calculated in the manner set forth in §§ 1407.5009 and 1407.5010 of this order.

(c) No person shall transfer a commodity to other than a consumer except in exchange for valid purchase certificate except as provided in § 1407.5008.

(d) An importer shall deliver all purchase certificates (OPA Form PRF-3 revised) in his possession within five days after receipt thereof to the Office of Price Administration, San Juan, Puerto Rico.

§ 1407.5008 Security transfers. (a) The Insular Government or any agency thereof, the United States or any agency thereof, or any person duly licensed to engage in the business of making loans upon collateral and regulated in conducting such business by the Insular Government or the United States may, without certificate, acquire a commodity for security purposes and may, without certificate, transfer such security to the debtor upon release or extinguishment of the debt so secured. Any person may,

without certificate, acquire a lien created by operation of law on a commodity and may satisfy or release such lien. Such security interests or liens may be enforced in the manner provided by applicable Insular or Federal laws, and subject to the provisions of Restriction Order 4, transfers necessary to such enforcement may be made. Any such person receiving a Purchase Certificate (OPA Form PRF-3 Revised) shall deliver the same within five days after receipt thereof together with a complete report of the transaction involved to the Office of Price Administration, San Juan, Puerto Rico.

§ 1407.5009 Quotas and allotments established. (a) Quota periods:

- (1) From March 8, 1943, to March 21, 1943.
- (2) From March 22, 1943, to April 4, 1943.
- (3) From April 5, 1943, to April 18, 1943.
- (4) From April 19, 1943, to May 2, 1943.

(b) A consumer may not accept a transfer of, and no person shall knowingly transfer to a consumer more than the following quantity of the following commodities during a quota period:

- (1) Lard—½ pound during a quota period.
- (2) Rice—2 pounds during a calendar week of any quota period.
- (3) Shortening—none.

(c) At the commencement of each quota period each retailer shall be entitled to receive from the board having jurisdiction, purchase certificates (OPA Form PRF-3 revised) authorizing transfers of:

(1) One sack of rice containing 100 pounds (disregarding fractions less than one-half sack and converting fractions of one-half or over to full sacks) for each twenty dollars (\$20.00) of the dollar value of rice reported by each such establishment as having been sold at retail during the month of November 1941 on OPA Form PRF-1, reduced by that number of 100 pound units of rice (disregarding fractions less than one-half and converting fractions of one-half or over to full sacks) in each such establishment's possession for sale at retail at the commencement of such quota period.

(2) One and three-fourths (1 ¾) pounds of lard for each one dollar (\$1.00) of the dollar value of lard reported by each such establishment as having been sold at retail during the month of November 1941 on OPA Form PRF-1, reduced by that number of pounds of lard in each such establishment's possession for sale at retail at the commencement of such quota period.

(d) At the commencement of each quota period, each institutional and industrial user shall be entitled to receive from the board having jurisdiction, purchase certificates (OPA Form PRF-3 revised) authorizing transfers of

(1) One sack of rice containing 100 pounds (disregarding fractions less than one-half sack and converting fractions of one-half or over to full sacks) for each twenty dollars (\$20.00) of the dollar value of rice reported as used by each such establishment for the month of November 1941 on OPA Form PRF-1, reduced by that number of 100 pound units

¹ 7 F.R. 1309, 2132, 3430, 3821, 4229, 4274, 4484, 8653, 8702, 8948, 9130, 9189, 9393, 9486, 9958, 10471, 10530, 11069; 8 F.R. 1200, 1972, 2875, 3251.

² 7 F.R. 8948, 8 F.R. 1457, 7 F.R. 3856, 3901, 6602, 7738.

of rice (disregarding fractions less than one-half, and converting fractions of one-half or over to full sacks) in each such establishment's possession at the commencement of such quota period.

(2) One and three-fourths (1 $\frac{3}{4}$) pounds of lard for each one dollar (\$1.00) of the dollar value of lard reported as used by each such establishment for the month of November 1941 on OPA Form PRF-1, reduced by that number of pounds of lard in each such establishment's possession at the commencement of such quota period except that a baker shall be entitled to receive no lard.

(e) Each baker shall be entitled to receive from the board having jurisdiction, purchase certificates (OPA Form PRF-3 revised) authorizing transfers of three and one-half (3 $\frac{1}{2}$) pounds of shortening for each one dollar (\$1.00) of the dollar value of that portion of lard which was reported as used by such baker for the month of November 1941 on OPA Form PRF-1, reduced by that number of pounds of all shortening in each such baker's possession at the commencement of such quota period.

§ 1407.5010 Application for adjustment. (a) Any person who considers that an adjustment or exception should be made in his case to adjust quotas or promote greater efficiency and dispatch in the war effort may apply in writing to the Director setting forth the pertinent facts, the reason why he considers that an adjustment or exception should be made and the precise nature of the adjustment or exception desired.

(b) In case of emergency, application may be made by the most convenient means of communication and a written application may be filed at such time thereafter as the Director may direct.

(c) Upon receipt of such application, the Director may take such action as he shall deem necessary or appropriate.

(d) An establishment, not heretofore subject to Restriction Order 2, or a retailer who did not sell, or an industrial or institutional user which did not purchase, a commodity in November 1941 may apply to the board having jurisdiction, for assignment of a quota or allotment. The board shall examine all pertinent facts, shall assign a temporary quota or allotment within any then established quota or allotment and shall, within three days thereafter, render a complete report to the Director. The Director may, based on the facts presented, direct the board to amend the assigned quota or allotment. The establishment may apply for an adjustment at any time after the assignment of the temporary quota in accordance with paragraphs (a), (b), and (c) of this section.

§ 1407.5011 Prohibited acts. (a) No person shall transfer or offer to transfer, to any person, and no person shall accept or offer to accept a transfer from any person, or use, any commodity as controlled by Restriction Order 4 with knowledge or reason to believe that such delivery or use is or will be in violation of Restriction Order No. 4.

(b) No person shall, or shall cause another person to alter or falsify any certificate or statement, or to falsify, conceal or fail to disclose any fact, statement or information in any application, registration, report or other statement required to be made, kept, furnished or disclosed by Restriction Order 4.

(c) No person shall offer, solicit, attempt or agree to do any act in violation of any provisions of Restriction Order 4.

§ 1407.5012 Discrimination. (a) On and after the date of the issuance of Restriction Order 4, no person shall discriminate in the transfer of a commodity to any person lawfully entitled to acquire a commodity hereunder. Any refusal on the part of an importer or a wholesaler to transfer a commodity to a wholesaler or a retailer to whom such importer or wholesaler has made a transfer on or after May 1, 1942, shall be prima facie evidence of a discrimination. *Provided*, That, nothing herein shall be construed to require a transfer of a commodity which would result in a violation of any statute enacted nor a transfer to any wholesaler or retailer of an amount of a commodity in excess of that permitted by any regulation or order of any department or agency of the United States.

§ 1407.5013 Transfers to consumers. No person shall knowingly transfer to a consumer and a consumer shall not accept a transfer of more of a commodity than the allotment established for the quota period. A consumer may act as the agent of a family or other unit in the purchase of a quantity of a commodity not to exceed the allotment for all members of such unit who customarily eat a majority of their meals as members of such unit.

§ 1407.5014 Criminal prosecutions. (a) Any person who knowingly falsifies an application, certification, registration form or any other record, report, or document made pursuant to or required by the terms of Restriction Order 4 or who otherwise knowingly furnishes false information to any agent, employee, or officer of the Office of Price Administration for Puerto Rico or falsifies or conceals or covers up by any tricks, scheme, or device a material fact, or makes or causes to be made any false or fraudulent statement or representation, in any matter within the jurisdiction of the Office of Price Administration for Puerto Rico, may upon conviction be fined not more than \$10,000 or imprisoned for not than ten years, or both, and shall be subject to such other penalties or action as may be prescribed by law. Any person who conspires with another person to perform any of the foregoing acts or to violate any provision of Restriction Order 4 may upon conviction be fined not more than \$10,000 or imprisoned for not more than two years, or both, and shall be subject to such other penalties or actions as may be prescribed by law.

(b) Any person who willfully performs any act prohibited, or willfully

fails to perform any act required, by any provision of Restriction Order No. 4 may upon conviction be fined not more than \$10,000 and imprisoned for not more than one year, or both, and shall be subject to such other penalties or actions as may be prescribed by all applicable statutes.

§ 1407.5015 Suspension Orders. Any person who violates Restriction Order 4 may, by administrative suspension orders, be prohibited from receiving any transfers or deliveries of, or selling or using or otherwise disposing of, any controlled commodity or other rationed product. Such suspension order shall be issued for such period as in the judgment of the Director is necessary or appropriate in the public interest and to promote the national defense.

§ 1407.5016 Communications. All registration statements and reports required to be filed hereunder, and all communications concerning Restriction Order 4 shall be addressed to: Office of Price Administration, San Juan, Puerto Rico.

§ 1407.5017 Effective date. (a) Restriction Order 4 (§§ 1407.5002 to 1407.5017) shall become effective March 8, 1943.

(b) Restriction Order 4 (§§ 1407.5002 to 1407.5017) supersedes Restriction Order 2 (§§ 1407.3001 to 1407.3014). *Provided*, however, That any violations which occurred or rights or liabilities which have arisen prior to the effective date of Rice Restriction Order 4 shall be governed by the orders, regulations and amendments thereto, in effect at the time such violations occurred or such rights or liabilities arose.

Issued this 8th day of March 1943.

WILLIAM B. MEAD,
Director,
Office of Price Administration
for Puerto Rico.

[F. R. Doc. 43-4235; Filed, March 18, 1943;
4:57 p. m.]

PART 1429—POULTRY AND EGGS
[Rev. MPR 269, Correction to Amendment 6¹]

POULTRY

Items in Table A of § 1429.19 (h) (1) are corrected to read as follows:

TABLE A—FOOD PRODUCTS

Type:	Weight—
Broilers	Under 2 $\frac{1}{4}$.
Fryers	2 $\frac{1}{2}$ to 3 $\frac{1}{2}$.
Roasters:	
Light	3 $\frac{1}{2}$ to 5.
Heavy	5 and over.
Fowl:	
Light	Under 3 $\frac{1}{2}$.
Medium	3 $\frac{1}{2}$ to 5.
Heavy	5 and over.

¹ 7 F.R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289.

This correction shall become effective March 20, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4224; Filed, March 18, 1943;
4:56 p. m.]

PART 1499—COMMODITIES AND SERVICES

[SR 14¹ to GMPR,² Amendment 135]

VULCANIZED VEGETABLE OIL

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

Paragraph (a) (59) of § 1499.73 is amended to read as set forth below:

§ 1499.73 *Modifications of maximum prices established by § 1499.2 of General Maximum Price Regulation for certain commodities, services and transactions.*

(a) The maximum prices established by § 1499.2 of the General Maximum Price Regulation for the commodities, services, and transactions listed below are modified as hereinafter provided:

* * * * *

(59) *Vulcanized vegetable oil.*—(1) *Maximum prices for types of vulcanized vegetable oil delivered or offered for delivery during March, 1942.*—(a) *Molded vulcanized vegetable oil.* The maximum price for a sale by a manufacturer of a kind of molded vulcanized vegetable oil (other than truss pads) of a kind which is the same as a kind which was delivered or offered for delivery in March, 1942, by the manufacturer shall be the highest price charged for it by the manufacturer during March, 1942, (as defined in paragraph (a) (59) (iii) of this supplementary regulation).

(b) *Unmolded vulcanized vegetable oil.* The maximum price for a sale by a

* Copies may be obtained from the Office of Price Administration.

¹ 7 F.R. 5486, 5709, 6008, 5911, 6271, 6369, 6477, 6473, 6774, 6775, 6793, 6887, 6892, 6776, 6939, 7011, 7012, 6965, 7250, 7289, 7203, 7365, 7401, 7453, 7400, 7510, 7536, 7604, 7538, 7511, 7536, 7535, 7739, 7671, 7812, 7914, 7946, 8237, 8024, 8199, 8351, 8358, 8524, 8652, 8707, 8881, 8899, 9082, 8950, 9131, 8953, 8954, 8955, 8959, 9043, 9196, 9397, 9391, 9495, 9496, 10381, 9639, 9496, 9786, 9900, 9901, 10069, 10111, 10022, 10151, 10231, 10294, 10346, 10381, 10480, 10583, 10537, 10705, 10557, 10583, 10866, 11005; 8 F.R. 276, 439, 535, 494, 589, 863, 980, 1030, 876, 878, 1121, 1142, 1279, 1383, 1589, 1455, 1460, 1633, 1467, 1813, 1894, 1978, 2041, 1895, 2035, 2157, 2343, 2354, 2374, 2343, 2346.

² 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5276, 5192, 5365, 5445, 5565, 5484, 5775, 5784, 5783, 6058, 6081, 6007, 6216, 6615, 6794, 6939, 7093, 7322, 7454, 7758, 7913, 8431, 8881, 9004, 8942, 9435, 9615, 9616, 9732, 10155, 10454; 8 F.R. 371, 1204, 1317, 2029, 2110, 2346.

manufacturer of a grade of unmolded vulcanized vegetable oil which is the same as a grade which was delivered or offered for delivery in March, 1942, by the manufacturer shall be the highest price charged for it by the manufacturer during March, 1942, (as defined in paragraph (a) (59) (iii) of this supplementary regulation) adjusted by adding a certain percentage, named below, of the amount by which the replacement cost to the manufacturer, at July 25, 1942, maximum prices, for the vegetable oil used to produce the product being priced is greater than the inventory cost during March, 1942, of the same quantity of vegetable oil. For the purposes of this paragraph (a) (59) (i) (b) and paragraph (a) (59) (ii) (d) of this supplementary regulation the "July 25, 1942, maximum price" for a particular vegetable oil means the maximum price for that oil when purchased in the quantity normally purchased by the manufacturer. The inventory cost during March, 1942, shall be determined by multiplying the quantity of the kind of vegetable oil used to produce the product being priced by the average cost of that oil charged to production during March, 1942, or, if it was not charged to production during that month, by the average cost at which it was in the manufacturer's inventory on March 1, 1942. The

following named manufacturers shall use the specified percentages in calculating the amount of the adjustment to be made: Stamford Rubber Supply Company, 70%; Carter Bell Manufacturing Company, 80%; all other manufacturers, 100%.

(c) *Transportation costs.* No seller shall require any purchaser, and no purchaser shall be permitted to pay a larger proportion of transportation costs incurred in the delivery of a type of vulcanized vegetable oil delivered by the seller during March, 1942, than the seller required purchasers of the same class to pay during that month on deliveries of the same type.

(ii) *Maximum prices for types of vulcanized vegetable oil not delivered or offered for delivery during March, 1942.* The maximum f. o. b. price for the sale by a manufacturer of a grade of unmolded vulcanized vegetable oil which is not the same as a grade which was delivered or offered for delivery by the manufacturer during March, 1942, shall be the sum total of direct labor costs, direct materials costs, gross margin, and an adjustment, determined in accordance with inferior subdivisions (a), (b), (c), (d) of this subdivision (ii). The maximum f. o. b. price for a sale by a manufacturer of a kind of molded vulcanized vegetable oil (other than truss pads) which is not the same as a kind which was delivered or offered for delivery by the manufacturer during March, 1942, shall be the sum total of the same components with the exception that it shall not contain an adjustment.

The maximum delivered price for a type of vulcanized vegetable oil (other than truss pads) not delivered or offered for delivery during March, 1942, shall be the maximum f. o. b. price plus the cost of transportation to the place of delivery.

(a) *Computation of direct labor costs.* Direct labor costs shall be determined by finding the average cost per pound of direct labor employed during the first quarter of 1942 in producing the type (unmolded white, unmolded brown, or molded) of vulcanized vegetable oil which includes the particular grade being priced, and multiplying that figure by the number of pounds being priced.

(b) *Computation of direct materials costs.* Direct materials costs shall be determined by multiplying the quantity of each material used in the manufacture of the vulcanized vegetable oil being priced by materials prices determined as follows:

The price of any material used in the manufacture of the vulcanized vegetable oil being priced shall be the first applicable among the following:

(1) The average cost at which the material was charged into production during March, 1942;

(2) The average cost at which it was in the manufacturer's inventory on March 1, 1942;

(3) The highest price charged during March, 1942, (as defined in paragraph (a) (59) (iii) of this supplementary regulation) by the manufacturer's supplier. The manufacturer's supplier shall be (A) his March, 1942, supplier of the material, or (B) lacking a March, 1942, supplier of the material, his most recent supplier of the material. If neither of these exists, it shall be his potential supplier.

(4) The first price at which the manufacturer's supplier offered to sell the material to a purchaser of the same class as the manufacturer after March 31, 1942. However, if the first applicable of those prices is higher than the maximum price established by the Office of Price Administration for the sale of the material to the manufacturer by his supplier, that maximum price shall be used as the price of the material.

(c) *Computation of gross margin.* The gross margin shall be determined as follows:

(1) Determine the total sales value for the first quarter of 1942 of each grade of the particular type (unmolded white, unmolded brown, or molded) of vulcanized vegetable oil which includes the grade being priced, at its March, 1942, highest price, by multiplying the quantity of each grade of that type produced during that quarter by the highest f. o. b. price for which the grade was sold during March, 1942, or, if it was not sold during that month, by the highest f. o. b. price for which it was offered for sale during March, 1942. Add the resulting figures to determine the total sales value for the quarter at March, 1942, highest

prices, for the particular type of vulcanized vegetable oil.

(2) Subtract from that figure the total direct labor and materials costs for the particular type to determine the gross margin. Direct labor costs for this purpose shall be computed by multiplying the average direct labor costs per pound of the particular type of vulcanized vegetable oil, produced during the first quarter of 1942, by the total quantity of that type produced during that period. Direct materials costs shall be computed by multiplying the quantity of each material used in the manufacture of the particular type by the average cost at which the material was charged into production during March, 1942, or, if it was not charged into production in that month, by the average cost at which it was in the manufacturer's inventory on March 1, 1942.

(3) Divide the figure resulting from subtracting direct costs from total sales value by the total direct costs figure to determine the gross margin percentage of direct costs. That percentage shall be applied to the direct costs of the grade being priced (computed in accordance with paragraphs (a) (59) (ii) (a) and (b) of this supplementary regulation) to determine the gross margin for that grade.

(d) *Adjustment.* The sum total of direct labor costs, direct materials costs, and gross margin for a grade of unmolded white or unmolded brown vulcanized vegetable oil, computed as required by this paragraph (a) (59) (ii), shall be adjusted by adding the percentage, designated for the particular manufacturer in paragraph (a) (59) (i) (b) of this supplementary regulation, of the amount by which the replacement cost to the manufacturer, at July 25, 1942, maximum prices for the vegetable oil used to produce the product being priced is greater than the inventory cost during March, 1942 of the same quantity of vegetable oil. The inventory cost during March, 1942, shall be determined by multiplying the quantity of the kind of vegetable oil required to produce the product being priced by the average cost of that oil charged to production during March, 1942, or, if it was not charged to production during that month, by the average cost at which it was in the manufacturer's inventory in March, 1942. No adjustment shall be made in the case of molded vulcanized vegetable oil.

(iii) *Definitions.* For the purposes of this paragraph (a) (59):

"Brown vulcanized vegetable oil" means vulcanized vegetable oil produced by hot vulcanization.

"Highest price charged during March 1942" means:

(a) The highest price which the seller charged to a purchaser of the same class for delivery of the commodity during March, 1942;

(b) If the seller made no such delivery during March, 1942, such seller's highest

offering price to a purchaser of the same class for delivery during that month;

(c) If the seller made no such delivery and had no such offering price to a purchaser of the same class, the highest price charged by the seller during March, 1942, to a purchaser of a different class, adjusted to reflect the seller's customary differential between the two classes of purchasers.

"Manufacturer" when referring to molded vulcanized vegetable oil means a person who makes the molded product from vulcanized vegetable oil manufactured by him.

"Molded vulcanized vegetable oil" means a vulcanized vegetable oil in which the vulcanization reaction takes place substantially in molds which give shape utility to the production.

"Type of vulcanized vegetable oil" means one of the three classifications of that product, namely, unmolded white, unmolded brown and molded.

"Vulcanized vegetable oil" means the solid reaction product of unsaturated fatty oils and vulcanizing agents.

"White vulcanized vegetable oil" means vulcanized vegetable oil produced by cold vulcanization.

(iv) *Geographical applicability.* This paragraph (a) (59) applies only to the forty-eight states of the United States and the District of Columbia.

This amendment shall become effective March 24, 1943.

(Pub. Laws 421 and 729, 77th Cong., E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4229; Filed, March 18, 1943;
4:53 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Amendment 1 to Order 110 Under § 1499.3
(b) of GMPR]

40-FATHOM FISH, INC.

An opinion accompanying this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.

Section 1499.974 (a) is amended and paragraphs (e), (f), (g), (h) and (i) are added to read as set forth below.

§ 1499.974 Approval of maximum prices for sales of frozen Jack and Jill Cat Food by 40-Fathom Fish, Inc. (a) 40-Fathom Fish, Inc. of Boston, Massachusetts may sell and deliver and any person may buy and receive from 40-Fathom Fish, Inc. frozen Jack and Jill Cat Food packed twenty-four one pound cartons to a shipping case at a price not exceeding \$2.05 per shipping case, delivered.

(e) This maximum price is only authorized for frozen Jack and Jill Cat

Food when made according to the formula used by 40-Fathom Fish, Inc. in connection with his application for this order.

(f) A seller at wholesale is permitted to charge in a sale to a retailer, kennel or pet shop, of frozen Jack and Jill Cat Food a price not to exceed \$2.56, delivered, per shipping case of twenty-four one pound cartons.

(g) A seller at retail is permitted to charge in a sale of frozen Jack and Jill Cat Food, a price not to exceed 14 cents per one pound carton.

(h) *Records.* Every person making a purchase or sale of frozen Jack and Jill Cat Food in the course of business, except a seller at retail, shall keep for inspection by the Office of Price Administration, so long as the Emergency Price Control Act of 1942, as amended, remains in effect, complete and accurate records of each such purchase and sale including (1) the date thereof, (2) the name and address of the purchaser, (3) the price charged and (4) the amount sold. Sellers at retail are not required to keep records of sales at retail but shall keep all invoices and notices received with the purchase of each shipping unit.

(i) *Notice.* On and after the effective date of this order and on or before the time of the first delivery of frozen Jack and Jill Cat Food to any wholesaler or retailer 40-Fathom Fish, Inc. or any other seller shall supply the buyer with a written statement and also include or attach to each shipping unit said cat food a copy of the statement which shall read as follows:

The Office of Price Administration has authorized ceiling prices for Frozen Jack and Jill Cat Food as made by 40-Fathom Fish, Inc. You are authorized to establish your ceiling price as follows:

In a sale at wholesale your ceiling is \$2.56, delivered, per shipping case of twenty-four one pound cartons.

In a sale at retail your ceiling price is 14 cents per one pound carton.

This amendment shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong., E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4098; Filed, March 18, 1943;
4:55 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 339 Under § 1499.3 (b) of GMPR]

ROYCE CHEMICAL COMPANY

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1775 Approval of maximum prices for Roycole, manufactured by

FEDERAL REGISTER, Saturday, March 20, 1943

Royce Chemical Company—(a) *Sales by Royce Chemical Company*—(1) *Maximum prices*. The maximum delivered prices for sales by Royce Chemical Company, Carlton Hill, New Jersey, of Roycole, are established as set forth below:

Roycole, 50% .0787¢ per pound. Roycole, 75% .1103¢ per pound.

(b) This Order No. 339 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 339 (§ 1499.1775) shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March, 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4231; Filed, March 18, 1943;
4:55 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 340 Under § 1499.3 (b) of GMPR]

GREAT VALLEY ANTHRACITE COAL CORPORATION

For the reasons set forth in an opinion issued simultaneously herewith, *It is hereby ordered*:

§ 1499.1776 *Approval of maximum prices for certain semi-anthracite coal produced by the Great Valley Anthracite Coal Corporation*. (a) The maximum price for Virginia semi-anthracite run of mine coal crushed to a size measuring $\frac{1}{8}$ " by $\frac{1}{8}$ " produced by the Great Valley Anthracite Coal Corporation, McCoy, Virginia, shall be \$3.50 per net ton f. o. b. mine.

(b) This Order No. 340 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 340 (§ 1499.1776) shall be effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4221; Filed, March 8, 1943;
4:55 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 341 Under § 1499.3 (b) of GMPR]

TY-PLUGS

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered*:

§ 1499.1777 *Maximum prices for Ty-Plugs*. (a) The maximum list price for Ty-Plugs shall be 20 cents each.

(b) Each manufacturer shall allow a jobbers' discount from list price of at least 30 per cent.

(c) Terms of sale for manufacturers shall be 2/10/60 extra f. o. b. shipping point. Terms of sale for persons other than manufacturers shall be the terms offered with respect to the sale of laundry supplies during March, 1942 to the same class of purchaser.

(d) This Order No. 341 (§ 1499.1777) may be revoked or amended by the Price Administrator at any time.

(e) This Order No. 341 (§ 1499.1777) shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4237; Filed, March 18, 1943;
4:57 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 215 Under § 1499.18 (b) of GMPR]

JOHN WEISERT TOBACCO CO.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered*:

§ 1499.1815. *Denial of application of The John Weisert Tobacco Company, 1120-22 South Sixth Street, St. Louis, Missouri for adjustment of maximum prices for Big John pipe tobacco*. (a) The application of The John Weisert Tobacco Company, 1120-22 South Sixth Street, St. Louis, Missouri, filed August 31, 1942 and assigned Docket No. GF3-2177, requesting permission to increase maximum prices for Big John pipe tobacco sold by it is denied.

This Order No. 215 shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4222; Filed, March 18, 1943;
4:56 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 13 Under § 1499.18 (c) of GMPR]

JOHN A. MARSH

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered*:

§ 1499.1513 *Adjustment of maximum prices for white cedar posts, stakes, and bean poles, sold by John A. Marsh* (a) The maximum prices f. o. b. Dover-Fox-

croft, Maine, sold by John A. Marsh shall be as follows:

	Per linear ft.
White cedar posts 5" diameter, 6 to 12' in length	\$.035
White cedar posts 6" diameter, 6 to 8' in length	.0425
White cedar stakes 5" diameter, random lengths	.03

White cedar bean poles 8' minimum length

.555

(b) All prayers of the applicant not granted herein are denied.

(c) This Order may be revoked or amended at any time.

(d) This Order No. 13 (§ 1499.1513) is hereby incorporated as a section of Supplementary Regulation No. 14 which contains modifications of maximum prices established by § 1499.2.

This order shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4232; Filed, March 18, 1943;
4:55 p. m.]

Chapter XVII—Office of Civilian Defense

PART 1902—INSIGNIA

[Regulations 2, Amendment 2 to Supp. Order 2 (Revised)]

IDENTIFICATION BADGES

By virtue of the authority vested in me as Director of Civilian Defense by Executive Order No. 8757, dated May 20, 1941, as amended by Executive Order No. 9134, dated April 15, 1942, and pursuant to § 1902.2 of this chapter (section 2 of Office of Civilian Defense Regulations No. 2), *It is hereby ordered*, That § 1902.51 of this chapter (section 1 of Supplementary Order No. 2 (Revised), dated October 23, 1942, to Office of Civilian Defense Regulations No. 2) is hereby amended by striking out § 1902.51 (o) thereof and substituting therefor the following:

(o) *Identification badges*. (U. S. Citizens Service Corps, Forest Fire Fighters Service, Civilian Evacuation Service.) Identification badges may embody the prescribed insignia. Such badges may be circular in shape, $2\frac{1}{4}$ " in diameter, or may be in the form of a ribbon and are to be worn on the upper left side of the garment.

(E.O. 8757, 6 F.R. 2517; E.O. 9134, 7 F.R. 2887)

Dated: March 18, 1943.

[SEAL] JAMES M. LANDIS,
Director of Civilian Defense.

[F. R. Doc. 43-4213; Filed, March 18, 1943;
1:26 p. m.]

¹ 7 F.R. 8657; 8 F.R. 1756.

TITLE 46—SHIPPING

Chapter IV—War Shipping Administration

[General Order 6, Revised]

PART 305—INSURANCE

Pursuant to the authority contained in the Act approved June 29, 1940 (Public Law—No. 677—76th Congress), as amended, and Executive Order 9054, February 7, 1942 (7 F.R. 837), General Order 6, including Supplements 1 through 9, is revised and pursuant to such revision the following rules and regulations for the underwriting by the War Shipping Administration of War Risk Insurance on Cargo, Hull, Crew, Fishermen and Freight interests are promulgated.

SUBPART A—CARGO INSURANCE

Sec.

305.1 Introductory.

FACULTATIVE WAR RISK CARGO INSURANCE

- 305.2 Submission of risks.
- 305.3 Binding of risk.
- 305.4 Quotation of rate.
- 305.5 Procedure established for payment of premium.
- 305.6 Payment of premium in San Juan, Puerto Rico.
- 305.7 Special guarantee premium account.
- 305.8 Manner of using a special guarantee premium account.
- 305.9 Issuance of a facultative policy.
- 305.10 Rulings in respect to policy warranties.
- 305.11 Clauses appearing in certain facultative war risk insurance policies.
- 305.12 Special rules.
- 305.13 Insurance on currency in custody of master of vessel.
- 305.14 Insurance on collect freight.
- 305.15 Form of premium receipt.
- 305.16 Form of cargo war risk binder.
- 305.17 Preparation of binder.
- 305.18 Representatives authorized to receive premium.
- 305.20 Standard form of application for a return premium.
- 305.21 Rider to be attached to every facultative policy.
- 305.22 Form of facultative policy.

OPEN POLICY CARGO WAR RISK INSURANCE

- 305.100 General.
- 305.101 Limitation of persons to whom a Warshipopencargo Policy may be issued.
- 305.102 Application for issuance of a Warshipopencargo Policy.
- 305.103 Requirement of premium collateral.
- 305.104 Issuance of Warshipopencargo policy.
- 305.105 Collateral deposit.
- 305.106 Surety bond.
- 305.107 Cancellation of Warshipopencargo Policy.
- 305.108 Declaration of shipments of cargo under Warshipopencargo Policy.
- 305.109 Payment of premium and fees.
- 305.110 Return premium.
- 305.111 Payment in event of loss under Warshipopencargo Policy.
- 305.112 Filing of affidavit in connection with the requirement of Clause 13, Part II.
- 305.113 Additional insurance.
- 305.118 Warshipopencargo Policy form.
- 305.119 Excluded commodities.
- 305.120 Definition of territories and possessions.
- 305.121 Modification of the requirements of the Loss Clause (a) (b) (c) of Part I of the Warshipopencargo Policy.
- 305.125 Standard Optional Endorsement No. I.

Sec.

- 305.126 Standard Optional Endorsement No. IV.
- 305.127 Standard Optional Endorsement No. VII.
- 305.128 Standard Optional Endorsement No. IX.
- 305.129 Standard Optional Endorsement No. X and Standard Optional Endorsement No. XI.
- 305.130 Standard Optional Endorsement No. XII.
- 305.131 Standard Optional Endorsement No. XIV.
- 305.132 Standard Optional Endorsement No. XV.
- 305.133 Manner of Endorsement.
- 305.150 Form No. 1—Application Form for Warshipopencargo Policy (Revised).
- 305.151 Form No. 2—Standard Form of Letter for Transmittal of Collateral Deposit Fund.
- 305.152 Form No. 3—Transmittal Form for Endorsement of Increase or Decrease to Surety Bond.
- 305.153 Form No. 4—Standard Form of Increase-Decrease Rider for Bond Guaranteeing Payment of Insurance Premiums on Warshipopencargo Policy.
- 305.154 Form No. 5—Form of Application for Cancellation of Warshipopencargo Policy.
- 305.155 Form No. 6—Form of Release on Cancellation of Surety Bond.
- 305.156 Form No. 7—Affidavit To Be Used in Effecting the Repayment of the Decrease of the Collateral Deposit Fund.
- 305.157 Form No. 8—Form Application for Revision of Warshipopencargo Policy.
- 305.158 Form No. 9—Affidavit To Be Submitted with a "Final Closing Report on Cancellation of Policy."
- 305.159 Form No. 10—Standard Form To Be Used Where Decreasing Amount of Cash Collateral Deposit.
- 305.160 Form No. 11—Affidavit To Be Attached to Closing Report.
- 305.161 Form No. 12—Standard Form of Application for Return Premium.
- 305.162 Form No. 13—Standard Form of Closing Report.
- 305.163 Standard Form of Surety Bond A.
- 305.164 Standard Form of Surety Bond B.
- 305.165 Approved methods of accomplishment of a surety bond by a surety company.
- 305.166 Form No. 14—Standard Form of Affidavit To Be Filed in Connection with the Requirement of Clause 13 of Part II of the Warshipopencargo Policy Form.
- 305.175 Standard form of application for appointment of underwriting agent.
- 305.176 Certificate of designation of underwriting agent.
- 305.177 Standard form of underwriting agency agreement.

SUBPART B—HULL INSURANCE

- 305.250 Introductory.
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- 305.252 Payment of premium and binding insurance.
- 305.253 Warranties regulating the binding of hull war risk insurance.
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- 305.266 War risk insurance on hull "premiums reducing".
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- 305.275 Standard form of hull war risk insurance policy.

SUBPART C—CREW INSURANCE

- Sec.
- 305.300 General.
- 305.301 Application.
- 305.302 Payment of premium and binding insurance.
- 305.303 Rules applicable to crew war risk insurances.
- 305.304 Crew individual war risk life insurance.
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SUBPART D—WAR RISK LIFE INSURANCE FOR FISHERMEN ON AMERICAN OWNED VESSELS

- 305.400 General.
- 305.401 Application.
- 305.402 Amount limit of insurance.
- 305.403 Time limit of insurance.
- 305.404 Conditions of the insurance.
- 305.405 Classification for rate purposes.
- 305.406 Placing of insurance and payment of premium.
- 305.407 Types of policy.
- 305.408 Form of addendum.
- 305.409 Form of life and dismemberment fisherman policy (individual).
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SUBPART E—WAR RISK OPEN FREIGHT POLICY

- 305.600 Introductory.
- 305.601 Application.
- 305.602 Warshipopen freight Policy.
- 305.610 Applicability of commercial practice.
- 305.611 Amendments.
- 305.615 Other insurances.

AUTHORITY: §§ 305.1 through 305.13; 305.20 through 305.22; 305.100 through 305.113; 305.118 through 305.121; 305.125 through 305.133; 305.150 through 305.166; 305.175 through 305.177; 305.250 through 305.255; 305.266 and 305.267; 305.275; 305.300 through 305.307; 305.315; 305.400 through 305.410; 305.600 through 305.602; 305.610 and 305.611; and § 305.615: Issued under E.O. 9054, 7 F.R. 837.

SUBPART A—CARGO INSURANCE

§ 305.1 *Introductory.* War Shipping Administration is prepared to provide marine insurance against loss or damage by the risks of war on shipments of cargo in the water-borne commerce of the United States and its territories and possessions which is in the interest of the war effort or the domestic economy of the United States as determined by the Administrator.

Such cargo war risk insurance is underwritten both on a facultative policy basis and an open policy basis in accordance with the respective policy conditions and regulations herein set forth.

Applicable rate schedules are published in bulletin form by the War Shipping Administration and are available on request by properly interested parties. Any rate set forth in a rate schedule is subject to change by the War Shipping Administration at any time without notice.

FACULTATIVE WAR RISK CARGO INSURANCE

§ 305.2 *Submission of risks.* Whenever the applicant for cargo war risk insurance desires to bind war risk insurance on a shipment of cargo, and there is published an applicable rate, the applicant must provide War Shipping Administration, Division of Wartime In-

surance, at Room 4089, Commerce Building, Washington, D. C., by means of a letter or a telegram with a proper order to bind such insurance which must set forth:

- (a) The name of the assured.
- (b) The amount of insurance.
- (c) The commodity and the quantity thereof.
- (d) The voyage involved.
- (e) That Standard Optional Endorsement No. I is to be provided, if such additional coverage is desired.

(f) That Loss Clause II, as set forth in § 305.11, is to be provided, if such clause is to be made applicable.

(g) The name of the vessel or the steamship line, if known, and the date of shipment, if the applicant is submitting the request to bind war risk insurance by letter; but if the applicant is submitting the order to bind war risk insurance by telegram, neither the name of the vessel nor the name of the steamship line nor the anticipated date of sailing, if known, should be mentioned. Mentioning such information in a telegram may result in a denial of insurance to the applicant. Any envelope transmitting a letter containing such information should be marked "confidential."

§ 305.3 *Binding of risk.* After receipt of a proper order to bind cargo war risk insurance, the War Shipping Administration will reply by telegram.

(a) If such an order has been submitted by telegram and is acceptable to the War Shipping Administration, the effective date of binding will be determined as follows:

(1) If War Shipping Administration has been instructed to bind insurance and to use the applicant's special guarantee premium account (§ 305.7) then if such an account is in good standing with a balance sufficient in amount to cover in full all unpaid premium liabilities including the premium on the risk submitted, the binding will be made effective subject to the policy warranties at the time of the day the telegraphic request to bind insurance is received by War Shipping Administration, provided the time of the day of the sending of the request telegram is not later than 4:00 P. M., Local War Time.

(2) If War Shipping Administration has been instructed to bind insurance and to use the applicant's special guarantee premium account (§ 305.7) then if such account is in good standing with a balance sufficient in amount to cover in full all unpaid premium liabilities including the premium on the risk submitted, but the time of the day of the sending of the telegram is later than 4:00 P. M., Local War Time, and the telegram is received by War Shipping Administration at Washington prior to 9:00 A. M., Eastern War Time of the following business day, the binding will be made effective subject to the policy warranties at 9:00 A. M., Eastern War Time of the day following the day of the sending of the request telegram; and if the request telegram is not received by War Shipping Administration at Washington until after 9:00 A. M., Eastern War Time of the day following the day of the send-

ing thereof the binding will be made effective subject to the policy warranties at the time when the telegram is received.

(3) If the War Shipping Administration has been instructed to bind insurance, but a special guarantee premium account is not maintained by the applicant or, if maintained, is not in good standing, the binding will be made effective subject to the policy warranties at the time of the typing of the Administration's reply telegram or letter; but this binding shall be subject to the condition subsequent that if the payment of premium is not received in accordance with the provisions of § 305.5 hereof by the War Shipping Administration, Division of Wartime Insurance or one of its specified representatives appointed to receive premiums, prior to 3:00 P. M., Local War Time, of the second business day following the day of the sending of the Administration's reply telegram or letter then the binding shall automatically become canceled and ineffective from inception.

(b) If such an order has been submitted by letter and is acceptable to the War Shipping Administration the effective date of the binding will be determined as follows:

(1) If War Shipping Administration has been instructed to bind insurance and to use the applicant's special guarantee premium account (§ 305.7) then if such an account is in good standing with a balance sufficient in amount to cover in full all unpaid premium liabilities including the premium on the risk submitted, the binding will be made effective subject to the policy warranties at the time that the letter is received by the Division of Wartime Insurance.

(2) If War Shipping Administration has been instructed to bind insurance but a special guarantee premium account is not maintained by the applicant or, if maintained, is not in good standing, the binding will be made effective subject to the policy warranties at the time of the typing of the Administration's reply telegram or letter; but this binding shall be subject to the condition subsequent that if payment of premium is not received in accordance with the provisions of § 305.5 hereof by the War Shipping Administration, Division of Wartime Insurance, or one of the specified representatives appointed to receive premiums, prior to 3:00 P. M., Local War Time, of the second business day following the day of the sending of the Administration's reply telegram or letter, then the binding shall automatically become canceled and ineffective from inception.

(c) A confirmation copy of any telegram sent by the War Shipping Administration will always be mailed by the War Shipping Administration to the party to whom the original telegram has been sent and this confirmation copy will set forth the day and hour it was typed.

§ 305.4 *Quotation of rate.* Whenever an applicant for cargo war risk insurance desires to bind war risk insurance on a shipment of cargo for which there is no applicable rate in a rate schedule

published by the War Shipping Administration, Division of Wartime Insurance, a quotation of an applicable rate may be obtained by submitting to War Shipping Administration, Division of Wartime Insurance, at Room 4089, Commerce Building, Washington, D. C., by means of a letter or a telegram a request for a quotation which must specify the commodity and the voyage involved, and that Standard Optional Endorsement No. I is to be provided if such additional coverage is desired.

(a) The War Shipping Administration, Division of Wartime Insurance, will consider the request for quotation and will make an appropriate reply by telegram. If a definite rate is quoted, such a rate will be recorded by the War Shipping Administration, Division of Wartime Insurance, on such a basis that it will become a permanent part of its records.

(b) Whenever an applicant for cargo war risk insurance receives a definite rate quotation and desires to bind insurance at the quoted rate, an order to bind insurance in accordance with the procedure set forth in § 305.2 should be submitted within two business days following the day of the sending of the Administration's telegram containing the quotation or the quotation will expire.

§ 305.5 *Procedure established for payment of premium.* Whenever an applicant for insurance desires to make a payment of premium (other than to the designated representative of the War Shipping Administration in San Juan, Puerto Rico, (§ 305.6)) the procedure herein specified should be followed:

(a) There must be presented by letter or delivery to the War Shipping Administration, Division of Wartime Insurance, at Room 4897, Commerce Building, Washington, D. C., or to any one of the district agents, managers, and/or representatives of the War Shipping Administration listed in § 305.18 an original and two copies of a properly prepared premium receipt on the form specified in § 305.15 together with a certified check, cashier's check or money order payable to the order of the War Shipping Administration in an amount equal to the amount of the premium set forth in the receipt. Each of the said premium receipts will be stamped and signed to acknowledge receipt of the amount of premium corresponding to the amount of payment, and the original and one copy of the premium receipt will be returned.

NOTE: When any payment of premium is made by mail the enclosure of a self-addressed, properly stamped return envelope will be appreciated, and will facilitate the expeditious return of the original and one copy of the signed premium receipt.

§ 305.6 *Payment of premium in San Juan, Puerto Rico.* Whenever an applicant for insurance desires to make a payment of premium to the designated representative of the War Shipping Administration in San Juan, Puerto Rico, the procedure herein specified should be followed:

(a) There must be presented by letter or delivery to the designated representative in San Juan, Puerto Rico listed in § 305.18 an original and three copies of a properly prepared premium receipt on a form specified in § 305.15, together with a certified check, cashier's check or money order payable to the order of the War Shipping Administration in an amount equal to the amount of the premium set forth in the receipt. Each of the said premium receipts will be stamped and signed to acknowledge receipt of the amount of premium corresponding to the amount of payment and the original and one copy of the premium receipt will be returned.

(b) At the time of making payment of premium there must be exhibited to the designated representative the Administration's reply cable in order that it can be determined then that payment of premium is being timely made.

Note: When any payment of premium is made by mail the enclosure of a self-addressed, properly stamped return envelope will be appreciated and will facilitate the expeditious return of the original and one copy of the signed premium receipt.

§ 305.7 Special guarantee premium account. In order to avoid the possibility of lapse in coverage by reason of the inability of an applicant for insurance to pay premium as promptly as required by the provisions of § 305.3, any ship owner, shipper, insurance broker, or other interested party may establish a special guarantee premium account with the War Shipping Administration.

(a) Such an account may be established by mailing or delivering to the War Shipping Administration, Division of Wartime Insurance, at Room 4897, Commerce Building, Washington, D. C., a cashier's check or certified check payable to the order of the War Shipping Administration in an amount not less than \$1,000 and by requesting that such sum be used by the War Shipping Administration for the creation of a special guarantee premium account. The War Shipping Administration will use any check so received to establish a special guarantee premium account. The identity of each account will be maintained by a serial number assigned thereto at the time of the creation of the special guarantee premium account, and the War Shipping Administration will inform the party establishing the same of such serial number. The War Shipping Administration will permit maintenance of this account subject to the option of the War Shipping Administration to discontinue altogether at any time on thirty days notice any or all such special guarantee premium account arrangements and subject to the option of the War Shipping Administration to discontinue any special guarantee premium account where any depositor has made continued attempts to incorrectly use the same. So long as the outstanding premium liabilities at any one time against such special guarantee premium account do not exceed the amount thereof, a special guarantee premium account will be considered in good standing.

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§ 305.8 Manner of using a special guaranteed premium account. War Shipping Administration, Division of Wartime Insurance, requires observance of the following regulations by the party in whose name the special guarantee premium account is established:

(a) Whenever any insurance risk has been bound by the War Shipping Administration, Division of Wartime Insurance, for an assured using a special guarantee premium account, a certified check or cashier's check or money order payable to the order of the War Shipping Administration for the correct amount of premium applicable to a particular binding without any claimed set off or other deductions must be received by the War Shipping Administration, Division of Wartime Insurance, at Room 4897, Commerce Building, Washington, D. C., or by any one of the district agents, managers and/or representatives of the War Shipping Administration listed in § 305.18 within seven days after the effective time of binding of a particular risk. Such check or money order must bear the serial number assigned to the special guarantee premium account and the applicable binder number; and if the check or money order is in payment of several bindings, it must bear the several binder numbers and be accompanied by a tally slip showing the payment according to the binder numbers.

(b) The War Shipping Administration has the right at any time to withhold, deduct, and use all or any part of the special guarantee premium account to pay for the correct amount of the unpaid premium properly guaranteed by any special guarantee premium account.

(c) The person in whose name the special guarantee premium account is established may not credit a return premium against a special guarantee premium account. A return of premium must be applied for in accordance with the provision of § 305.12.

(d) Failure to comply with the provisions of this (§ 305.8) may result in a finding by the War Shipping Administration, Division of Wartime Insurance, that the special guarantee premium account is being incorrectly used and in its cancellation.

(e) Whenever War Shipping Administration has been directed to use any special guarantee premium account by any statement contained in a letter or telegram purporting to come from the party in whose name the special guarantee premium account is established, such a letter or telegram shall be conclusive authorization by the party in whose name the special guarantee premium account is established for its use by the War Shipping Administration.

§ 305.9 Issuance of a facultative policy. In order to procure the issuance of a facultative policy, the applicant for insurance must mail a properly prepared binder on the form set forth in § 305.16 *immediately* after the binder number has been assigned and the signed premium receipts obtained to War Shipping Administration, Division of Wartime Insurance, at Room 4089, Commerce Building, Washington, D. C.

The applicant for insurance may attach the signed copy of the premium receipt to the binder in order to facilitate the prompt issuance of the facultative policy.

On receipt of the binder (§ 305.16) properly prepared and after payment of the premium War Shipping Administration will prepare, in accordance with the terms of the said binder, and forward in due course, its policy of insurance, provided its instructions have been properly fulfilled; otherwise, instructions by letter will be mailed to the party requesting the insurance.

In order to enable the rendering of prompt and efficient service and in the interests of conservation of paper, the War Shipping Administration reserves the right to decline to issue more than one policy with respect to export shipments for any one shipper or any one agent representing one or more shippers to any one destination on any one vessel.

§ 305.10 Rulings in respect to policy warranties. (a) After the effective binding of war risk insurance on a shipment of cargo, in any instance where an assured believes that it will be impossible to comply with the warranty requiring the goods to be shipped and in transit within thirty days from the effective date of binding, such an assured may apply to the War Shipping Administration, Division of Wartime Insurance, to modify the warranty. If War Shipping Administration, Division of Wartime Insurance, is satisfied that an extension of time within which the goods are warranted to be shipped and in transit should be granted it will do so with or without an additional premium.

(b) In respect to the terms and conditions of Clause 9 of the facultative policy which reads "9. If the ordinary course of the transit of the goods is interrupted or terminated by the shipper, consignee, or assured or other party acting on their behalf, this insurance shall forthwith terminate unless otherwise specially agreed by the War Shipping Administration." War Shipping Administration, Division of Wartime Insurance, specifically agrees that interruption or termination of the transit by the transportation company or other third party acting on behalf of the assured because of the fact that sufficient tonnage is not available for transportation of the goods from the intended port of shipment shall not terminate this insurance on shipments made in good faith from an original point of shipment in the United States with the bona fide intention of prompt shipment from the United States port.

§ 305.11 Clauses appearing in certain facultative war risk insurance policies. (a) Any cargo war risk insurance covering a shipment of cargo made from any port or place in the World to the United States or to one of the territories and possessions of the United States (which territories and possessions are hereby defined as Alaska, Hawaiian Islands, Virgin Islands, Panama Canal Zone, Puerto Rico, including Vieques Island, American Samoa, Midway Island and Palmyra Island) or covering a shipment of cargo made between ports and places in the

United States or between ports and places in any one of the territories and possessions of the United States will be subject to the following clause:

OMNIBUS CLAUSE (1) This policy of insurance covers for account of the Assured and other parties having or acquiring an insurable interest in the insured goods.

(2) Warranted by all Assureds under this insurance that, to the best of their knowledge and belief no person, corporation, partnership or association whose name appears in any Proclaimed List of Blocked Nationals issued by or under authority of the Government of the United States of America or of the government of any nation party signatory of the "United Nations Pact" promulgated on or about January 2, 1942, has any ownership, title or interest in or to the goods insured. The term "Assured" as used in the foregoing warranty shall include all persons claiming under this policy, but no information received by any Assured after the goods have been shipped and insured hereunder, and after he has acquired his title to or interest therein, shall be set up against such Assured as a breach of the above Warranty.

(3) Warranted that the Assured in whose name this policy is issued is: If an individual, either a citizen of the United States or a resident within the United States or one of the territories and possessions of the United States; if a partnership or a corporation, that it is organized and existing under and by virtue of the laws of the United States, a State of the United States, one of the territories and possessions of the United States or a political subdivision thereof; or if a foreign corporation, that it has an office or place of business within the United States or one of the territories and possessions of the United States and that shipments covered hereunder are for the account of said office.

(4) If any person filing a claim under this policy is not a person specified in Clause 3, claim must be filed and required affidavit executed on behalf of said claimant by the Assured named herein unless this requirement is waived or modified by the War Shipping Administration.

(5) Shipments of goods shipped by, to, or at the direction of the Assured and sold by the Assured prior to loading on board the overseas vessel (a) on terms requiring the Assured to provide War Risk Insurance to the port of discharge, or (b) with respect to which written or cabled instructions to provide War Risk Insurance to the port of discharge have been received by the Assured from the purchaser prior to loading on board the overseas vessel, (except goods shipped for the account and at the risk of a branch, subsidiary or affiliate of the Assured), shall in the event of loss be subject to the requirement that the claimant must file an affidavit (unless otherwise permitted by War Shipping Administration) to the effect that the amount claimed does not exceed the actual bona fide sales price less all discounts, plus marine insurance and transportation costs actually incurred with respect to the venture plus the war risk premium payable hereunder if such items are not included in the sales price.

(6) All other shipments of goods shall be subject to either Loss Clause I or Loss Clause II. Unless Loss Clause II is requested at the time of binding, Loss Clause I shall become automatically applicable.

Loss Clause I. (a) In the event of loss the claimant shall be required to file an affidavit to the effect that the amount claimed does not exceed fair market value at place and approximate time of attachment of risk, plus marine insurance and transportation costs incurred with respect to the insured venture, plus war risk insurance premiums payable

hereunder. With respect to goods, the fair market value of which at place and approximate time of attachment of risk cannot be readily or satisfactorily determined by established or recognized market quotations, but the goods have been sold to or purchased by the Assured in a bona fide sale between independent parties within the thirty day period prior to attachment of risk, the sale or purchase price shall be deemed *prima facie* evidence of such fair market value.

(b) In cases where it is impossible to determine the fair market value at place and approximate time of attachment of risk as aforesaid, such affidavit shall be to the effect that the amount claimed does not exceed fair market value at port of arrival on date of attachment of risk.

(c) The affidavit required pursuant to the foregoing paragraphs (a) and (b) shall be subject to the provisions of section 35 (a) of the Criminal Code.

Loss Clause II. In the event of loss the Assured named herein shall be required to file an affidavit to the effect that the amount claimed does not exceed the actual bona fide pecuniary loss to the said Assured, exclusive of any allowance for anticipated or accrued profit arising out of the insured venture. Such affidavit shall be subject to the provisions of section 35 (a) of the Criminal Code.

(7) In the event that claim is filed by the Assured named herein on behalf of any other party at interest a further affidavit is also required to the effect that the amount collectible does not exceed the amount which would have been collectible by the Assured named herein if at the time of loss the Assured named herein had full interest in the insured goods. In the event that this policy is issued to an agent for account of a principal named herein, both the agent and the named principal shall be deemed to be included in the term the "Assured named herein" for the purposes of this Loss Clause II.

(b) Whenever the above "Omnibus Clause" is not applicable Clause 10 of the facultative policy reading as follows shall apply:

10. In event of loss the valuation of the goods insured hereunder shall not exceed the invoice cost, or if there be no invoice, the value of the goods at time and place of shipment, plus transportation and insurance charges actually incurred with respect to the shipment plus ten (10) percent.

§ 305.12 Special rules. The following special rules are applicable to the underwriting of facultative cargo war risk insurance:

(a) If a facultative cargo war risk insurance is bound with the War Shipping Administration, the parties at interest may nevertheless place increased value or additional insurance in commercial or other markets in excess of the amount of insurance provided by the War Shipping Administration. Such insurance, if placed, shall not be participating with the War Shipping Administration coverage and shall be without benefit of salvage or right of contribution.

(b) When a facultative war risk insurance is bound, it is not subject to cancellation by the assured unless the goods are not shipped within thirty days following the effective date of binding, and unless the policies are returned for cancellation. Where goods are short-shipped any reduction in amount of insurance will be computed by applying to the original amount of insurance the proportion which the quantity of mer-

chandise short-shipped (i. e. bales, barrels, tons, and other designations of quantity) bears to the total quantity of merchandise originally declared for insurance. Where more than one class of merchandise is insured under one policy (e. g. fuel oil and gasoline) the reduced amount of insurance will be computed separately on each item. Where the amount of insurance is reduced as aforesaid the Administration will give consideration to requests for proportionate returns of premium. All such requests must be submitted in quadruplicate on standard form set forth in Sec. 305.19. No return of premium of less than \$100.00 will be allowed unless amounting to 10% or more of the original premium.

(c) All cargo war risk insurances provided by the Division of Wartime Insurance of the War Shipping Administration will be subject to a minimum premium of \$10.00 per policy.

(d) The War Shipping Administration, Division of Wartime Insurance, reserves the right to decline to quote or bind on any risks submitted and to defer quoting or binding on any risks where prompt shipment is not anticipated. The War Shipping Administration, Division of Wartime Insurance, also reserves the right to decline to quote on or bind insurance on shipments of cargo that could be covered by an open cargo war risk policy provided by the War Shipping Administration unless it can be demonstrated to the satisfaction of the Administration that the risk is not one of a series of similar risks forming part of a continual flow of business for the interested party.

(e) Any telegram or cable dealing with the binding of cargo war risk insurance sent later than 4 P. M. (Local War Time) by an applicant for insurance, shall be considered the next day's business by War Shipping Administration.

(f) No risks will be negotiated by telephone excepting in cases of emergency where the delay involved in telegraphic communication might delay the sailing of the vessel.

§ 305.13 Insurance on currency in custody of master of vessel. The War Shipping Administration, Division of Wartime Insurance, is prepared to insure currency in the custody of the master of the vessel by its facultative cargo war risk insurance policy. Where the destination of a vessel is not known to the owner at the time the insurance is bound, arrangements will be made for providing such insurance at a deposit premium subject to readjustment when all circumstances are known.

(a) Any such insurance will be subject to the following warranty:

Warranted that a qualified officer of the overseas vessel has received for the currency by acknowledging deposit of the same in the safe or strong room of the vessel.

§ 305.14 Insurance on collect freight. War Shipping Administration, Division of Wartime Insurance is prepared to insure "collect freight" by its facultative cargo war risk insurance policy.

(a) The interest insured will be described as "collect freight".

(b) All such policies shall contain one of the following alternative clauses:

(1) Notwithstanding anything to the contrary contained herein, this insurance shall be payable only in the event of the total or constructive total loss of the vessel to which the collect freight pertains,

or

(2) In the event of loss, the War Shipping Administration shall not be liable for a greater percentage of the amount insured than would be recoverable under its standard form of cargo war risk policy covering the cargo to which the insured freight applies.

(c) All such policies shall contain both of the following clauses:

(1) Insurance shall not attach hereunder until sailing of vessel from port of loading of cargo to which the insured freight applies, and

(2) Warranted that insurance shall not attach hereunder with respect to shipments from any port from which the vessel has sailed prior to binding of this insurance.

(d) In the event that following attachment of risk, it is demonstrated to the satisfaction of the War Shipping Administration that the total amount of collect freight at risk with respect to the insured venture is less than the amount insured, a pro rata return of premium will be made provided all facts have been presented to the War Shipping Administration as soon as known to the assured.

§ 305.15 Form of premium receipt. The following form sets forth the wording of the only premium receipt acceptable to War Shipping Administration:

WAR SHIPPING ADMINISTRATION

PREMIUM RECEIPT

Date _____
Time _____

Received from _____
covering insurance premium under binder No(s) _____
Assured _____
Broker _____
Office _____

NOTE: Where one check is tendered in payment of several binders, the binder numbers and the amount of premium applicable to each binder must be stated on the reverse side hereof.

NOTE: Premium receipt forms should be furnished by the person applying for insurance, and must be printed, mimeographed or typewritten by an assured. Checks should be made payable to War Shipping Administration.

§ 305.16 Form of cargo war risk binder. The following form sets forth the wording of the facultative cargo war risk binder acceptable to War Shipping Administration:

UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

Cargo War Risk _____ Binder No. C _____
Date _____

Amount insured \$ _____
Rate. _____ %

Premium, \$ _____
In consideration of a premium as above, the War Shipping Administration insures, in accordance with applicable provisions of Law:

(Assured)

Upon _____
(Specify description and nature of merchandise)

In the sum of _____ Dollars

Per the vessel called the _____

Voyage from port of _____ to port of _____

Warranted goods shipped and in transit on or before 30 days from the effective date of the binding of this risk.

Standard Optional Endorsement No. I (amended) is desired:—Insert ("yes" or "no") in space _____

Loss Clause No. II is desired:—Insert ("yes" or "no") in space _____

Any loss payable hereunder shall be payable in funds current in the United States to the order of _____

upon surrender of this Policy, thirty days after full proofs of loss and proofs of interest have been filed with the War Shipping Administration.

It is | known | that the goods described
herein | have been |
will be shipped | from _____
on _____

(For Marks, Numbers, and Special Conditions)

(Assured)

By _____

NOTE: Binder forms should be furnished by an assured and must be printed, typewritten, or mimeographed by an assured.

§ 305.17 Preparation of binder. A properly prepared binder must contain:

(a) The name of the party to be insured.

(b) The payee in the event of loss.

(c) The description and the quantity of goods.

(d) The identification of goods insured (i. e. marks and numbers, bill of lading number, or other specific identification).

(e) The voyage to be insured.

(f) The amount of insurance.

(g) The name of the vessel or the steamship line, if known.

(h) The anticipated date of shipment from point of origin or interior.

NOTE: By attaching a receipted copy of the Premium receipt to the binder the prompt issuance of a policy will be facilitated.

§ 305.18 Representatives authorized to receive premiums. The following is a list of the only district agents, managers, and/or representatives permitted to receive a certified check, or a cashier's check or a money order and to acknowledge receipt of the same on a premium receipt:

New York, N. Y.: Capt. Granville Conway, District Manager, U. S. Maritime Commission, Atlantic Coast Director, War Shipping Administration, 45 Broadway, New York, N. Y.

Baltimore, Md.: Mr. Julius Bouslog, District Manager, U. S. Maritime Commission, War Shipping Administration, 22 Light St., Baltimore, Md.

New Orleans, La.: Mr. J. J. Fitzpatrick, District Manager, U. S. Maritime Commission, Federal Office Building, New Orleans, La.

Boston, Mass.: Mr. M. N. McGann, Port Agent, War Shipping Administration, Public Service Building, 89 Broad St., Boston, Mass.

Norfolk, Va.: Mr. George F. Blair, District Manager, U. S. Maritime Commission, War Shipping Administration, 12th St. and Monticello Ave., Norfolk, Va.

San Francisco, Calif.: Mr. E. C. Mausshardt, District Manager, U. S. Maritime Commission, 200 Bush St., San Francisco, Calif.

Chicago, Ill.: Mr. W. E. Spofford, Regional Director of Construction, U. S. M. C., 310 South Michigan Ave., Chicago, Ill.

Philadelphia, Pa.: Mr. J. Gormley, Port Agent, War Shipping Administration, Public Ledger Building, 6th and Chestnut Sts., Philadelphia, Pa.

Galveston, Tex.: Mr. Roland J. Mestayer, Port Operating Manager, War Shipping Administration, 203 Federal Building, Galveston, Tex.

Portland, Oreg.: Mr. George Powell, Port Representative, War Shipping Administration, 601 Porter Building, Portland, Oreg.

San Francisco, Calif.: Mr. Felix W. Isherwood, Jr., Asst. to Pacific Coast Director, War Shipping Administration, 200 Bush St., San Francisco, Calif.

Seattle, Wash.: Mr. W. E. Brown, Assistant Pacific Coast Director (Northwest), War Shipping Administration, 1475 Dexter Horton Building, Seattle, Wash.

Seattle, Wash.: Mr. Irving C. Huntington, Jr., Junior Administrative Assistant, War Shipping Administration, 1475 Dexter Horton Building, Seattle, Wash.

Los Angeles, Calif.: War Shipping Administration, Representative in Charge, Room 511, 354 South Spring St., Los Angeles, Calif.

San Juan, P. R.: Mr. Walter L. Cope, War Shipping Administration Representative, San Juan, Puerto Rico.

§ 305.20 Standard form of application for a return premium.

CARGO—APPLICATION FOR RETURN PREMIUM

WAR SHIPPING ADMINISTRATION WARTIME INSURANCE

Policy Number _____

Assured _____

Address _____

Broker _____

Assured _____

Premium paid by Broker _____

Date of payment _____

Nature of cargo _____

Insurance bound _____

Quantity (tons, bbls, bales, etc.) _____

Amount of insurance _____ Rate _____ Premium _____

Total _____ Insurance at risk _____

Total _____ Return premium _____

Remarks _____

Application is hereby made for return premium as set forth above and the accuracy of this information is certified by _____

Assured _____

By _____

Title _____

Date _____

Sworn to before me this _____ day of _____, 19____.

Notary Public _____

Attention is directed to Section 35 (A) of the Criminal Code of the United States which provides for punishments ranging as high as ten years imprisonment or \$10,000 fine, or both, for filing false, fictitious, or fraudulent documents with a department or agency of the United States.

Policy hereby endorsed in accordance with foregoing and voucher cleared by wartime insurance

For—PERCY CHUBB,
Director of Wartime Insurance.

Date _____

NOTE: This form should be furnished by an assured and must be printed, mimeographed or typewritten.

FEDERAL REGISTER, Saturday, March 20, 1943

§ 305.21 *Rider to be attached to every facultative policy.* Every facultative cargo war risk insurance policy shall be endorsed with the following clauses:

12. Any shipment of cargo excluded from coverage by application of the warranty of Clause "11" will automatically attach hereunder as of the time of the arrival of the vessel and interest insured at the next intermediate port in good safety warranted the premium has been paid in accordance with rules and regulations.

13. The Administrator or his representative duly authorized under administrative orders may waive strict compliance with any warranty or condition of this insurance to the extent that he may determine that it imposes a hardship on any claimant in good faith hereunder which would not be imposed in connection with a policy issued in accordance with commercial practice in the marine insurance business, and to the extent that he may determine such waiver is not contrary to the purposes of the statute under which this policy is issued. In any determination as aforesaid the decision of the Administrator or his duly authorized representative shall be conclusive upon all parties thereto.

14. No premium will in any case be returned to the Assured except in the event of an error made in the application of a rate or in the computation of a premium, or except in the event the insured goods are not shipped or are short-shipped; notwithstanding the foregoing, whenever goods have been overinsured by reason of an error or otherwise, and such fact is discovered and the material facts and circumstances are presented immediately after discovery of the overinsurance and prior to the time when the overseas vessel reaches the destination port in safety, to the War Shipping Administration, Division of Wartime Insurance, then the Division of Wartime Insurance will give consideration to an application for a return premium and if in its sole discretion the Division of Wartime Insurance is satisfied that the Assured acted in good faith and that the instance is one in which in commercial practice a return premium would be made, it will grant the appropriate return premium.

§ 305.22 *Form of facultative policy.*

UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

Cargo War Risk	No. C-----
Amount insured, \$-----	Date-----
Rate	%-----
Premium	\$-----

THIS POLICY OF INSURANCE witnesseth that in consideration of a premium as shown above the WAR SHIPPING ADMINISTRATION hereby insures, in accordance with applicable provisions of Law:----- for account of whom it may concern. Upon:-----

In the sum of:----- dollars
Per vessel as per information on file with War Shipping Administration:-----

At and from:-----
to:-----

Warranted goods shipped and in transit on or before:-----

Any loss payable hereunder shall be payable in funds current in the United States, to

or order, upon surrender of this Policy, thirty days after full proofs of loss and proofs of interest have been filed with the War Shipping Administration.

(For marks, numbers, and special conditions)

1. This insurance is only against the risks of capture, seizure, destruction, or damage by men of war, piracy, takings at sea, arrests, restraints and detainments, and other war-like operations and acts of kings, princes, and peoples in prosecution of hostilities or in the application of sanctions under international agreements whether before or after declaration of war and whether by a belligerent or otherwise, including factions engaged in civil war, revolution, rebellion or insurrection or civil strife arising therefrom, and including the risks of aerial bombardment, floating or stationary mines, and stray or derelict torpedoes; but excluding claims for delay, deterioration and/or loss of market, and warranted not to abandon (on any ground other than physical damage to ship or cargo) until after condemnation of the property insured. Also warranted not to abandon in case of blockade, and free from any claims for loss or expense in consequence of blockade or of any attempt to evade blockade; but in the event of blockade, to be at liberty to proceed to an open port and there end the voyage.

2. Warranted free from any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests, restraints or detainments.

3. This insurance does not cover any loss or damage caused by or resulting from any of the following causes:

(a) Commandeering, preemption, requisition, or nationalization by the government (de facto or otherwise) of the country to or from which the goods are insured.

(b) Seizure or destruction under quarantine or customs regulations.

(c) Capture, seizure, arrest, restraint, detainment, or condemnation by the Government of the United States of America, or of any State, territory, or possession thereof, or by any government which is or may become party signatory of the "United Nations Pact" promulgated on or about January 2, 1942.

4. This insurance shall not attach to the interest hereby insured or to any part thereof:

(a) Prior to being on board an overseas vessel (for the purpose of this clause 4 an overseas vessel shall be deemed to mean a vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that vessel);

(b) after being discharged overside from an overseas vessel at the final port of discharge,

or

after expiry of fifteen days counting from midnight of the day on which the overseas vessel is safely anchored or moored at the final port of discharge, whichever shall first occur;

(c) at a port or place of transhipment to another overseas vessel after the expiry of fifteen days (counting from midnight of the day on which the overseas vessel entering with the interest is safely anchored or moored) until the interest is on board the oncarrying overseas vessel. In the event of the exercise of any liberty granted to the Shipowner or Charterer under the contract of affreightment whereby such contract is terminated at a port or place other than the destination named therein such port or place shall be deemed the final port of discharge for the purpose of this clause 4.

5. Subject to the terms of clause 4 above and to any conditions or warranties which may be endorsed hereon, it is agreed that this insurance shall not be vitiated by deviation, overcarriage, change of voyage, or by any error or unintentional omission in the description of interest, vessel or voyage, provided the same be communicated to the War Shipping Administration as soon as known to the Assured and an additional premium paid if required.

6. And in case of any loss or misfortune, it shall be lawful and necessary to and for the Assured, his or their factors, servants and assigns, to sue, labor, and travel for, in and about the defense, safeguard and recovery of the said goods and merchandises, or any part thereof without prejudice to this insurance; nor shall the acts of the Assured or Assurers, in recovering, saving, and preserving the property insured, in case of disaster, be considered a waiver or an acceptance of an abandonment; and to the charges whereof, the said Assurers will contribute according to the rate and quantity of the sum hereby insured.

7. General Average and salvage charges (resulting from a peril hereby insured against) payable according to Foreign Statement or York-Antwerp Rules if in accordance with the contract of affreightment.

8. Notwithstanding anything to the contrary contained in this Policy, it is understood and agreed:

(a) That no claim for freight, storage, or other expense due to the requisition or commandeering of the title or use of any vessel by or with the consent of the country whose flag she flies shall be payable under this insurance, and if as a result of such requisition or commandeering the insured cargo is discharged at a port or place other than the port or place of destination, the port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this Policy.

(b) That if any vessel shall be ordered into or detained in any port by the United States Government or by any government which is or may become party signatory of the "United Nations Pact" and the goods hereby insured shall be discharged at such port, then, if the goods be not the subject of proceedings of the nature set forth in clause 3 (a), such port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this Policy.

9. If the ordinary course of transit of the goods hereby insured is interrupted or terminated by the shipper, consignee, or assured or any party acting on their behalf, this insurance shall forthwith terminate unless otherwise specially agreed by the War Shipping Administration.

10. In event of loss the valuation of the goods insured hereunder shall not exceed the invoice cost, or if there be no invoice the value of the goods at time and place of shipment, plus transportation and insurance charges actually incurred with respect to the shipment, plus ten (10) percent.

11. Warranted that the goods insured hereunder have not become waterborne on overseas vessel prior to the date of this insurance, or if waterborne are in good safety in port at day and hour of attachment of risk.

In the event of loss which may give rise to a claim under this Policy, prompt notice should be given to the War Shipping Administration at 99 John Street, New York City.

In witness whereof the War Shipping Administration has caused this Policy to be signed by the Administrator at Washington, D. C., but this Policy shall not be valid unless countersigned by or on behalf of the Director of Wartime Insurance. Counter-signed this ----- day of ----- 1944.

For Director of Wartime Insurance
E. S. LAND
Administrator.

OPEN POLICY CARGO WAR RISK INSURANCE

§ 305.100 *General.* War Shipping Administration is prepared to provide an open cargo war risk insurance policy covering imports to the United States and

to the territories and possessions of the United States, and covering shipments of cargo made between ports and places in the United States and ports and places in its territories and possessions, and between ports and places in the United States, and between ports and places in any one of the territories and possessions of the United States. Such open policy will be subject to the standard war risk open cargo policy form of the War Shipping Administration hereinafter referred to as the Warshipopencargo Policy, and published in the *FEDERAL REGISTER* as a part hereof. All such policies will be issued on behalf of the War Shipping Administration by underwriting agents appointed by the Administration for this purpose. Underwriting agents will in all instances be insurance companies licensed to do a marine insurance business in a state of the United States.

§ 305.101 Limitation of persons to whom a Warshipopencargo Policy may be issued. A Warshipopencargo Policy may be issued to an individual who is either a citizen of the United States, or a resident within the United States or one of the territories and possessions of the United States; or to a partnership or corporation organized and existing under and by virtue of the laws of the United States, a state of the United States, one of the territories and possessions of the United States or a political subdivision thereof; or to a foreign corporation if such corporation has an office or place of business within the United States or one of the territories and possessions of the United States but only with respect to shipments occurring for the account of such an office.

§ 305.102 Application for issuance of a Warshipopencargo Policy. Application for a Warshipopencargo Policy is made by filing Form No. 1 (§ 305.150) properly filled out, with an underwriting agent of the War Shipping Administration. The application for a Warshipopencargo Policy must contain the applicant's address and must specify the basis of valuation to be incorporated in the Warshipopencargo Policy. Any basis of valuation may be specified by the assured which defines the value on the basis of facts which were existent prior to shipment, and which are readily ascertainable by either party subsequent to safe arrival or loss.

§ 305.103 Requirement of premium collateral. Any application for the issuance of a Warshipopencargo Policy is ineffective unless a collateral deposit fund is established and maintained or a surety bond procured and maintained, in accordance with the regulations in § 305.105 and § 305.106 respectively.

§ 305.104 Issuance of Warshipopencargo Policy. The underwriting agent must issue the Warshipopencargo Policy within fifteen (15) days after the accomplishment by the applicant of the requirements set forth in § 305.102 and § 305.103 unless the time for issuance is extended by the Director of Wartime Insurance in writing. The underwriting agent must not make any Warshipopencargo Policy effective with respect to

shipments attaching on a date earlier than the date when the application was accomplished, but must make it effective on the date of the accomplishment of the application or any date thereafter as directed by the applicant.

§ 305.105 Collateral deposit. An assured electing to use a cash collateral deposit as the method of complying with § 305.103 is required to act in accordance with the regulations prescribed herein, and to comply with the requirements of Clause 13 of Part II (§ 305.118) of Warshipopencargo Policy at all times.

(a) An applicant desiring to establish a collateral deposit fund must deposit with an underwriting agent of the War Shipping Administration by whom the policy is to be issued, a certified check or cashier's check payable to the order of the Treasurer of the United States in an amount not less than \$1,000, together with a letter of transmittal Form No. 2 (§ 305.151) executed by the assured. Such a deposit when received will be held by War Shipping Administration under a serial number assigned thereto.

(b) In the event any assured fails to pay any premium due under any Warshipopencargo Policy issued by or on behalf of the War Shipping Administration as the same becomes due and payable, it will cause a default to arise, and such default will result in the automatic cancellation of the policy in accordance with the terms of Clause 12 of Part II (§ 305.118), and will enable War Shipping Administration to deduct all due amounts from such assured's collateral deposit fund, unless the assured complies within the prescribed time with the provisions of said Clause 12.

(c) Changes for amounts not less than \$500 and by multiples of \$500, in the amount of the assured's collateral deposit fund may be effected by the assured at any time. The effect of any action taken by an assured shall be the sole responsibility of the assured, and shall in no manner relieve the assured of the responsibility imposed by Clause 13 of Part II (§ 305.118) of the Warshipopencargo Policy.

(d) Increase in the amount of the collateral deposit fund will become effective upon the date of the receipt by the underwriting agent (meaning thereby the particular underwriting agent of the War Shipping Administration by whom the policy was issued to the assured) of a valid certified check or cashier's check payable to the order of the Treasurer of the United States accompanied by the transmittal Form No. 2 (§ 305.151) executed by the assured.

(e) Decrease in the amount of the collateral deposit fund will become effective, except as to shipments which at the time of the application for decrease have then attached under the Warshipopencargo Policy and on which premium has not been paid in full, upon the date of the receipt (as acknowledged) by the specified underwriting agent of Form No. 10 (§ 305.159) executed by the assured. Where Form No. 10 (§ 305.159) properly filled out is received for by an underwriting agent, the effect is such that with respect to all shipments which have

not then attached, the assured admits for all purposes except the actual repayment of that part of the collateral deposit fund that actual repayment has been made.

Unless an assured has substituted a surety bond in an amount at least equal to the collateral deposit fund before receipt by the specified underwriting agent of Form No. 10 (§ 305.159), (or unless, with respect to a policy issued to an assured which is a department or agency of the United States or acting on behalf of such a department or agency, War Shipping Administration has waived in writing the requirement for the maintenance of a collateral deposit fund), an assured will not become entitled to reimbursement by the War Shipping Administration of the collateral deposit fund until a closing report is filed and premium has been paid in full with respect to all shipments which had attached at the time of the receipt by the underwriting agent of the application for decrease and an affidavit executed in duplicate as prescribed on Form No. 7 (§ 305.156) has been filed with the underwriting agent.

No decrease, other than for complete withdrawal of the collateral deposit, will be accepted which would bring the amount of deposit lower than the required minimum deposit of \$1,000.

(f) Whenever an assured becomes entitled to a refund of the collateral deposit in whole or in part, by reason of the cancellation of the Warshipopencargo Policy (or, by reason of the waiver by War Shipping Administration of the requirement of maintaining the collateral deposit fund on a Warshipopencargo Policy issued to an assured which is a department or agency of the United States or acting on behalf of such a department or agency) or, by reason of the substitution of a surety bond in place and stead of the collateral deposit fund, as hereinbefore provided, War Shipping Administration will, upon completion of the foregoing requirements, cause payment to be made by the Treasury of the United States to the party in whose name the collateral deposit was established.

(g) The foregoing language shall not be construed as a requirement that an assured who hereafter originally makes a collateral deposit must begin the deposit with a sum of money in an equal multiple of \$500, or who has already established a deposit, must change the sum of money on deposit to an equal multiple of \$500.

§ 305.106 Surety bond. An assured electing to use a surety bond as the method of complying with § 305.103 is required to act in accordance with the regulations prescribed herein and to comply with the requirements of Clause 13, Part II (§ 305.118) of Warshipopencargo Policy at all times.

(a) An applicant desiring to furnish a surety bond must present to, and file with, the underwriting agent of the War Shipping Administration through whom the policy is issued a surety bond executed by the assured as principal and by the surety, the bond to be in the form prescribed by the War Shipping Administration (§ 305.163 or § 305.164). Such

bond must be for an amount not less than \$1,000.

(b) The sufficiency of the surety executing the bond shall be subject to approval by the War Shipping Administration. The underwriting agent may accept on behalf of the War Shipping Administration a surety bond executed by a surety named on the United States Treasury Department's approved list of sureties whose bonds are acceptable to the United States Treasury Department to secure obligations due the United States, provided the bond is within the maximum amount for which the surety is so authorized to write bonds as shown by the said approved list.

If the proposed surety is not on said approved list, the underwriting agent, before accepting the surety bond, shall first secure the specific written approval of the Assistant Deputy Administrator for Fiscal Affairs, War Shipping Administration, or his properly authorized designee.

(c) In the event any assured fails to pay any premium due under any Warshipopencargo Policy issued by or on behalf of the War Shipping Administration as the same becomes due and payable, it will cause a default to arise, and such default will result in the automatic cancellation of the policy in accordance with the terms of Clause 12 of Part II (§ 305.118) and all due amounts will become a liability collectible under said bond and from the assured, unless the assured complies within the prescribed time with all the provisions of said Clause 12.

(d) The forms of bond shall be as set forth in §§ 305.163 and 305.164 and no variation therefrom shall be permitted except with the express written approval of the Director of Wartime Insurance, War Shipping Administration.

(e) Changes in amount not less than \$500 and by multiples of \$500 of an assured's surety bond may be effected by the assured at any time. The effect of any action taken by an assured shall be the sole responsibility of the assured and shall in no manner relieve the assured of the responsibility imposed by Clause 13 of Part II (§ 305.118) of the Warshipopencargo Policy.

(f) Increases in the amount of a surety bond will become effective upon the date of the receipt by the specified underwriting agent of a valid rider to the Surety Bond Form No. 4 (§ 305.153) countersigned by the surety company, accompanied by transmittal Form No. 3 (§ 305.152) executed by the assured.

(g) Decrease in the amount of the surety bond will become effective, except as to shipments which at the time of the receipt by the underwriting agent of the application for decrease have then attached under the Warshipopencargo Policy and on which premium has not been paid in full, upon the date of the receipt by the specified underwriting agent of a valid rider to the Surety Bond Form No. 4 (§ 305.153) countersigned by the surety company, accompanied by transmittal Form No. 3 (§ 305.152) executed by the assured.

No decrease, except for cancellation, will be accepted which would bring the

amount of the surety bond lower than the required minimum amount of \$1,000.

(h) Whenever an assured becomes entitled to cancellation of a surety bond by reason of the cancellation of the Warshipopencargo Policy, (or, with respect to a policy issued to an Assured which is a department or agency of the United States or acting on behalf of such a department or agency, by reason of the waiver by War Shipping Administration of the requirement of maintaining a surety bond) or, by reason of the substitution of a collateral deposit fund of at least equal amount in place and stead of the surety bond, War Shipping Administration will cause a release to be executed; and hereby authorizes its underwriting agents to execute the release as set forth in Form No. 6 (§ 305.155). Such a release must not be effective sooner than, and shall be of even date with, (1) the effective date of the cancellation of the policy when the cancellation of the surety bond is for that reason, or (2) the date of a written directive of War Shipping Administration waiving the requirement of the surety bond when the cancellation is for that reason, or (3) the time when the collateral deposit fund has been established when the cancellation of the surety bond is for that reason.

(i) The foregoing language shall not be construed as a requirement that an assured who hereafter originally files a surety bond must procure a surety bond in an amount which is an equal multiple of \$500, or who has already filed a surety bond, must change the amount of the surety bond to an equal multiple of \$500.

(j) Whenever any assured has established a cash collateral deposit and desires to increase the amount of security by procuring and maintaining a surety bond in addition to the amount of that cash collateral deposit, the assured must procure from the surety company at the time when the bond is procured, unless otherwise agreed by War Shipping Administration, an agreement in writing signed by the surety company to the effect that the surety company considers its bond to be in addition to the amount of security provided by the cash collateral deposit for so long as the cash collateral deposit is maintained. The agreement must further provide, that if all or any part of that cash collateral deposit is thereafter withdrawn, the said surety bond, subject to the limitation of the principal amount thereof, will automatically replace the amount withdrawn from that cash collateral deposit to the extent of any one or more withdrawals and will become full security to War Shipping Administration to the extent of any one or more withdrawals from that cash collateral deposit. The increase of collateral shall become effective when both such a surety bond and such an agreement are filed with the underwriting agent.

§ 305.107. *Cancellation of Warshipopencargo Policy.* To effect the cancellation of a Warshipopencargo Policy, the assured shall be guided by the following regulations:

(a) Upon the filing with the specified underwriting agent of an application for cancellation of a Warshipopencargo Policy on Form No. 5 (§ 305.154) executed by the assured, together with the original Warshipopencargo Policy, cancellation of the assured's Warshipopencargo Policy will be effected with respect to all risks which have not attached prior to the effective date of cancellation (which, unless otherwise mutually agreed, must be a date not sooner than fifteen days following receipt by the specified underwriting agent of the application for cancellation). Such cancellation shall not affect the obligation of the assured to file closing reports with respect to all risks which attached prior to the effective date of cancellation and to pay all unpaid premium. Within four months of the effective date of cancellation, unless otherwise agreed by War Shipping Administration in writing, the assured must file a closing report in duplicate of all shipments covered by the Warshipopencargo Policy for which closing reports have not been previously filed.

The assured shall be required to mark this closing report "Final Closing Report on Cancellation of Policy", and file an affidavit on Form No. 9 (§ 305.158) executed by the assured in duplicate. Thereafter when all unpaid premium has been paid, the assured becomes entitled to a refund of the collateral deposit, or cancellation of the surety bond in accordance with the foregoing provisions of this General Order No. 6 (§§ 305.105 and 305.106).

(b) Whenever the assured has lost or mislaid the original policy and is unable to produce the same in order to effect the cancellation thereof, the assured shall be required to execute a letter of indemnity and such other documents as may be required by the War Shipping Administration, Division of Wartime Insurance.

§ 305.108 *Declaration of shipments of cargo under Warshipopencargo Policy.* Not later than the twenty-fifth day of each month, the assured must make a closing report to the underwriting agent of all shipments as prescribed in Clause 11 of Part II of Warshipopencargo Policy and must pay premium in accordance with the terms thereof.

(a) Closing reports must be in duplicate and upon standard form set forth in § 305.162, and must be supported by the execution of the prescribed affidavit form No. 11 (§ 305.160), which affidavit must be attached to the closing report or embodied in the closing report form.

(b) In the event that the assured has no shipments for any preceding calendar month to report during any given month, the standard form of closing report must nonetheless be filed as prescribed herein and either or both of the following statements depending upon their applicability to the assured must be noted thereon:

1. It is certified that no inward shipment coming within the scope of this policy arrived at destination during the preceding calendar month, and that during the preceding calendar month no knowledge has come

to the assured of an inward shipment covered under the terms of the policy which will not arrive by reason of loss, frustration or other similar cause.

2. It is certified that no outward shipment coming within the scope of this policy was made during the preceding calendar month.

(c) For the purpose of declaring shipments of cargo insured by a Warshipopencargo Policy, each such shipment must be classified as either an inward or an outward shipment.

Classification shall be determined by reference to the geographical location of the assured under a Warshipopencargo Policy with respect to the movement of the shipment. For the purpose of determining the geographical location of the assured the address stated in the application for the Warshipopencargo policy shall be deemed the assured's geographical location.

Thus, if an assured has stated in his application that his address is in Hawaii, and the assured's Warshipopencargo Policy covers shipments (1) of manufactured goods from the United States to Hawaii and (2) of pineapple from Hawaii to the United States, the geographical situation of the assured in relation to the movement of said shipments would be such that (1) would be classified inward and (2) would be classified outward.

(d) Each closing report of shipments must keep distinct the classification of outward or inward by reporting all outward shipments on one report and all inward shipments on another report, and in an instance where a single insured voyage presents a combination of an inward and outward shipment, the assured must declare the entire voyage on the inward shipment form, as the same will be deemed an inward shipment for the purposes of reporting. When an assured has neither an inward nor an outward shipment to report, one closing report may be filed in duplicate which shall include both affidavits called for by the provisions of § 305.108 (b).

(e) Whenever a sea passage is made with respect to cargo covered under a Warshipopencargo Policy by a barge or sailing vessel the assured shall be required to note that fact upon the closing report, unless otherwise agreed.

(f) An assured reporting for one calendar month must not include therein a report of a shipment due to be reported in the report for the next succeeding calendar month. Thus, the report of January closing shipments filed in February should not include February closings.

(g) Whenever any assured files a closing report and thereafter discovers that one or more additional shipments were properly required to have been included in said report, then, even though the assured has executed either the affidavit on Form No. 9 (§ 305.158) or Form No. 11 (§ 305.160) in connection with such a closing report, the assured must nevertheless amend such a closing report by filing a supplemental closing report supported by the appropriate affidavit. A statement in writing signed by the assured must accompany such a supplemental closing report, and the reasons

for the omission of such shipments from the original closing report must be set forth in this statement. In the event that by means of such a statement it is demonstrated to the satisfaction of the Administrator that the failure to file a completed closing report was either inadvertent or unintentional or arose by reason of causes beyond the control of the assured, then the automatic termination of the policy by reason of a breach of the warranty embodied in Clause 11 of Part II of the Warshipopencargo Policy form (§ 305.118) shall be avoided pursuant to the provisions of Clause 15 of Part II of the Warshipopencargo Policy form (§ 305.118).

§ 305.109 *Payment of premium and fees.* Any closing report called for by the terms of Clause 11 of Part II of the Warshipopencargo Policy form (§ 305.118) required to be filed in the manner specified in § 305.108 on which premium is required to be paid, obligates an assured to submit with the closing report a certified check or cashier's check for the full amount of the premium, computed on the basis provided for in the policy.

Any fee required to be paid by the provisions of Clauses 11 or 13 of Part II of the Warshipopencargo Policy form (§ 305.118) or by any other provision of or regulation in respect to the Warshipopencargo Policy form obligates an assured to submit a separate certified check or cashier's check for the amount thereof to the underwriting agent as provided in said clauses or regulations.

Any such check must be made payable to the order of the Treasurer of the United States.

A separate certified check or cashier's check must accompany each inward closing report or set of such inward closing reports in payment of premium due thereunder; a separate certified check or cashier's check must accompany each outward closing report or set of such outward closing reports in payment of premium due thereunder; and a separate certified check or cashier's check must be drawn to pay the amount of any fee required to be paid.

Notwithstanding the foregoing, with respect to any payment, which by the terms of the Warshipopencargo Policy or regulation in relation thereto, has been hitherto acceptable in the form of a money order, War Shipping Administration will continue to accept payment through the medium of a money order on any payment made prior to April 1, 1943.

§ 305.110 *Return premium.* No premium will in any case be returned to the assured with respect to a shipment of goods which attached under a Warshipopencargo Policy except in the event of a declaration of value at variance with the provisions of the valuation clause, or except in the event of an error made in the application of a rate or in the computation of a premium, or except in the event the insured goods are shortshipped.

Any claim for return premium must be filed on the standard return premium form (§ 305.161). Such form must be

filed in duplicate with the specified underwriting agent who will transmit the same to the War Shipping Administration for payment.

§ 305.111 *Payment in event of loss under Warshipopencargo Policy.* All claims for losses recoverable under the terms of a Warshipopencargo Policy issued by the War Shipping Administration should be filed by the assured with the underwriting agent by whom the policy was issued. Such claims should be supported by the customary documents required in connection with war risk insurance claims, together with whatever appropriate affidavits are required by the loss provisions of the Warshipopencargo Policy, and such further data as may now or hereafter be required by the War Shipping Administration.

§ 305.112 *Filing of affidavit in connection with the requirement of Clause 13, Part II.* Whenever the assured inadvertently fails to maintain a collateral deposit fund or a surety bond in an amount sufficient so that at all times such amount is in excess of the unpaid premium then or thereafter payable with respect to any or all risks which have attached under the terms of the policy and Clause 13 of Part II of the Warshipopencargo Policy form becomes operative the assured must act in accordance with the provisions of said clause in order to continue the uninterrupted coverage of the policy.

(a) The assured must file an affidavit in the form set forth in § 305.166 executed in duplicate with the underwriting agent within the time specified in Clause 13 of Part II of the Warshipopencargo Policy form unless the time for filing such an affidavit is extended by permission of the War Shipping Administration.

(1) If the space provided in the form affidavit for an explanation of the circumstances by which the assured first had knowledge that the collateral became exceeded is not sufficient, then the assured should attach to the affidavit a detailed statement including the same by reference in the affidavit prior to the execution thereof.

§ 305.113 *Additional insurance.* Where war risk insurance on cargo is placed with the War Shipping Administration under a Warshipopencargo Policy, the parties at interest may place increased value or additional insurance in commercial or other markets beyond the amount of insurance provided in the War Shipping Administration policy. Such insurance, if placed, need not be participating with the War Shipping Administration coverage, and shall be without benefit of salvage or right of contribution.

§ 305.118 *Warshipopencargo Policy form.* The following is the form of the Warshipopencargo Policy.

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION
WARSHIPOPENCARGO POLICY

Part I

This policy shall consist of this Part I and Part II published in the FEDERAL REGISTER

FEDERAL REGISTER, Saturday, March 20, 1943

under date of March 20, 1943, as part of General Order No. 6 of the War Shipping Administration. Part II shall be deemed incorporated herein and made a part of this contract, and this contract shall be subject to the terms and conditions of both parts. This policy may be amended by endorsement attached hereto and executed on behalf of the Administrator of the War Shipping Administration by a duly authorized Underwriting Agent pursuant to prior written or telegraphic instructions from the War Shipping Administration or by publication of an amendment to the Warshipopencargo Policy form in the FEDERAL REGISTER. In the latter event such amendment shall become effective upon the date of the publication of the amendment in the FEDERAL REGISTER or upon such date as may be specified therein; *Provided, however,* That no amendment which is restrictive in effect upon an Assured shall become effective prior to 48 hours after the date of such publication and no such restrictive amendment shall affect any shipments which shall have attached hereunder prior to the effective date of such an amendment. In the event that the Assured is unwilling to accept any amendment to this policy, he shall have the option of terminating this policy as of the effective date of such amendment upon written or telegraphic notice to the Administrator, War Shipping Administration prior to such effective date.

Effective as to shipments

- a. Under Ocean Bills of Lading dated on and after _____, or
- b. If Ocean Bills of Lading not issued, under equivalent shipping documents dated on or after said date, or
- c. If no Ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden on overseas vessel on and after said date, and

in consideration of the establishment and maintenance of a collateral deposit fund or the procuring and maintenance of a surety bond in accordance with Clause 13 of Part II of this policy, and of premiums computed and paid as provided in Clause 11, Part II of this policy, War Shipping Administration by this policy of insurance hereby insures

against War Risks as specified in Part II with respect to all imports to the Continental United States (excluding Alaska) and such other shipments coming within the scope of this policy by endorsement hereto (except as to such shipments as may be specifically excluded from this policy by special agreement noted hereon by endorsement and except as to such goods which the Assured may purchase upon terms requiring the seller to place War Risk Insurance thereon):

- (1) Shipped or consigned to, or by, the Assured and for his account and risk,
- (2) Shipped or consigned to or by other parties for the account and at the risk of the Assured,
- (3) Shipped by, to, or at the direction of the Assured and sold by him prior to loading on board overseas vessel (a) on terms requiring the Assured to provide war risk insurance to the port of discharge, or (b) with respect to which written or cabled instructions to provide war risk insurance to the port of discharge have been received by the Assured from the purchaser prior to loading of the goods on board the overseas vessel.

Shipments included herein by this paragraph (3) shall be subject to the condition that, in the event of loss of goods sold by the Assured prior to loading on board the overseas vessel and shipped for the account and at the risk of third parties other than a branch, subsidiary or affiliate of the Assured, the named Assured shall be required to file, in lieu of the affidavit required by Clauses (a) (b) (c) below or by Standard

Optional Endorsement No. XII if endorsed hereon, an affidavit to the effect that the amount claimed does not exceed the actual bona fide sales price less all discounts, plus marine insurance and transportation costs actually incurred with respect to the venture plus the war risk premium payable hereunder if such items are not included in the sales price. Claim shall be filed by the named Assured unless otherwise permitted by the War Shipping Administration for good cause shown.

(4) Shipped by, to, or at the direction of the Assured and sold by the Assured subsequent to the attachment of risk hereunder on terms requiring the Assured to provide war risk insurance to the port of discharge, subject to the condition that in the event of loss the amount collectible shall not exceed the amount which would have been collectible by the Assured if the Assured at the time of loss had retained full interest in the insured goods.

For the purpose of this insurance, goods insured hereunder shall be valued at _____

Except as hereinbefore provided:

(a) In the event of loss the Assured shall be required to file an affidavit to the effect that the amount claimed does not exceed fair market value at place and approximate time of attachment of risk, plus marine insurance and transportation costs incurred with respect to the insured voyage, plus war risk insurance premiums payable hereunder. With respect to goods, the fair market value of which at place and approximate time of attachment of risk cannot be readily or satisfactorily determined by established or recognized market quotations, but the goods have been sold to or purchased by the Assured in a bona fide sale between independent parties within the thirty day period prior to attachment of risk, the sale or purchase price shall be deemed *prima facie* evidence of such fair market value.

(b) In cases where it is impossible to determine the fair market value at place and approximate time of attachment of risk as aforesaid, such affidavit shall be to the effect that the amount claimed does not exceed fair market value at port of arrival on date of attachment of risk.

(c) The affidavit required pursuant to the foregoing paragraphs (a) and (b) shall be subject to the provisions of Section 35 (a) of the Criminal Code.

This policy may be canceled at any time upon 15 days written or telegraphic notice to or by the Assured or 15 days subsequent to the publication of a notice of cancellation in the FEDERAL REGISTER or at such other date as may be mutually agreed: *Provided, however,* That no such cancellation shall terminate this policy with respect to any shipments which have become at risk under the terms hereof prior to the effective date of such notice.

In the event of loss which may give rise to claim under this policy, prompt notice should be given to the Underwriting Agent of the War Shipping Administration by whom this policy is countersigned.

Any loss payable hereunder shall be payable in funds current in the United States, to the order of _____

30 days after full proofs of loss and proofs of interest have been filed with the War Shipping Administration.

This policy is subject to all rules and regulations pertaining hereto which may now or hereafter from time to time be published in the FEDERAL REGISTER.

In witness whereof the War Shipping Administration has caused this policy to be signed by the Administrator at Washington, D. C. but this policy shall not be valid unless

countersigned by a duly authorized Underwriting Agent of the War Shipping Administration.

(Sgd.) E. S. LAND
E. S. Land
Administrator.

Countersigned¹ this _____ day of _____, 194____.

Underwriting Agent of War Shipping Administration

By: _____

Its _____

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION
WARSHIPOPENCARGO FORM—FORM OF POLICY

Part II

1. This insurance is only against the risks of capture, seizure, destruction or damage by men of war, piracy, takings at sea, arrests, restraints and detainments, and other warlike operations and acts of kings, princes, and peoples in prosecution of hostilities or in the application of sanctions under international agreements, whether before or after declaration of war and whether by a belligerent or otherwise, including factions engaged in civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, and including the risks of aerial bombardment, floating or stationary mines, and stray or derelict torpedoes; but excluding claims for delay, deterioration and/or loss of market, and warranted not to abandon (on any ground other than physical damage to ship or cargo) until after condemnation of the property insured. Also warranted not to abandon in case of blockade, and free from any claims for loss or expense in consequence of blockade or of any attempt to evade blockade; but in the event of blockade, to be at liberty to proceed to an open port and there end the voyage.

2. Warranted free from any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests, restraints or detainments.

3. This insurance does not cover any loss or damage caused by or resulting from any of the following causes:

(a) Commandeering, preemption, requisition, or nationalization by the government (de facto or otherwise) of the country to or from which the goods are insured.

(b) Seizure or destruction under quarantine or customs regulations.

(c) Capture, seizure, arrest, restraint, detention, or condemnation by the Government of the United States of America, or of any State, territory, or possession thereof, or by any government which is or may become party signatory of the "United Nations Pact" promulgated on or about January 2, 1942.

4. This insurance shall not attach to the interest hereby insured or to any part thereof:

(a) Prior to being on board an overseas vessel (for the purpose of this clause 4 an overseas vessel shall be deemed to mean a vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that vessel);

(b) after being discharged overside from an overseas vessel at the final port of discharge,

or

¹ The Underwriting Agent does not, by countersigning and issuing this policy or otherwise, warrant its own authority, or the authority of the War Shipping Administration, to issue this Policy, but acts solely under the power conveyed by the Standard Form of Certificate of Designation issued by the War Shipping Administration.

after expiry of fifteen days counting from midnight of the day on which the overseas vessel is safely anchored or moored at the final port of discharge, whichever shall first occur:

(c) at a port or place of transhipment to another overseas vessel after the expiry of fifteen days (counting from midnight of the day on which the overseas vessel entering with the interest is safely anchored or moored) until the interest is on board the oncarrying overseas vessel.

In the event of the exercise of any liberty granted to the Shipowner or Charterer under the contract of affreightment whereby such contract is terminated at a port or place other than the destination named therein such port or place shall be deemed the final port of discharge for the purpose of this clause 4.

5. Subject to the terms of clause 4 above and to any conditions or warranties which may be endorsed hereon, it is agreed that this insurance shall not be vitiated by deviation, overcarriage, change of voyage, or by any error or unintentional omission in the description of interest, vessel or voyage, provided the same be communicated to the War Shipping Administration as soon as known to the Assured and an additional premium paid if required.

6. And in case of any loss or misfortune, it shall be lawful and necessary to and for the Assured, his or their factors, servants and assigns, to sue, labor, and travel for, in and about the defense, safeguard, and recovery of the said goods and merchandises, or any part thereof without prejudice to this insurance; nor shall the acts of the Assured or Assurers, in recovering, saving, and preserving the property insured, in case of disaster, be considered a waiver or an acceptance of an abandonment; and to the charges whereof, the said Assurers will contribute according to the rate and quantity of the sum hereby insured.

7. General Average and salvage charges (resulting from a peril hereby insured against) payable according to Foreign Statement or York-Antwerp Rules if in accordance with the contract of affreightment.

8. Notwithstanding anything to the contrary contained in this policy, it is understood and agreed:

(a) That no claim for freight, storage, or other expense due to the requisition or commandeering of the title or use of any vessel by or with the consent of the country whose flag she flies shall be payable under this insurance, and if as a result of such requisition or commandeering the insured cargo is discharged at a port or place other than the port or place of destination, the port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this Policy.

(b) That if any vessel shall be ordered into or detained in any port by the United States Government or by any government which is or may become party signatory of the "United Nations Pact" and the goods hereby insured shall be discharged at such port, then, if the goods be not the subject of proceedings of the nature set forth in clause 3 (a), such port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this Policy.

9. If the ordinary course of transit of the goods hereby insured is interrupted or terminated by the shipper, consignee, or assured or any party acting on their behalf, this insurance shall forthwith terminate unless otherwise specially agreed by the War Shipping Administration.

10. This insurance shall include loss, damage or destruction of the property insured caused by saboteurs or other enemy agents.

11. It is warranted that not later than the 25th day of each calendar month, the Assured will file with the Underwriting Agent closing reports in the manner and form required by such regulations as may be promulgated by the War Shipping Administration from time to time of all shipments coming within the scope of this policy.

(1) As to inward shipments as defined in General Order No. 6, such reports must include

(a) All shipments which have arrived at port of destination during the preceding calendar month, and

(b) All shipments with respect to which inability to so arrive by reason of loss, frustration or other similar cause has come to the knowledge of the Assured during the preceding calendar month, and

(2) As to outward shipments as defined in General Order No. 6, which attached under the policy during the preceding calendar month.

And will pay premium thereon at the rate prescribed by the War Shipping Administration and in effect:

(a) On date of Ocean Bill of Lading, or

(b) If Ocean Bill of Lading not issued, on date of equivalent shipping document, or

(c) If no Ocean Bill of Lading or equivalent shipping document issued, or if same are undated, on date goods are laden on overseas vessel.

12. It is understood and agreed that whenever any closing report is not filed as prescribed by Clause 11 hereof, the effect is such that a breach of the Policy terms and conditions has been made by the Assured, and the Policy automatically ceases to insure any shipments which would otherwise have attached after the expiration of fifteen (15) days following the due date of the closing report, unless within the said 15 day period, the closing report as required by Clause 11 hereof is filed with the Underwriting Agent, and a reinstatement fee of Twenty-five (\$25) Dollars is paid by cashier's check or certified check payable to the order of the Treasurer of the United States together with the amount of premium due, if any.

13. It is warranted that the Assured will at all times maintain with the War Shipping Administration a Collateral Deposit Fund or that in lieu of such Collateral Deposit Fund a Surety Bond in the form prescribed by the War Shipping Administration will be filed with the Underwriting Agent and maintained in full force and effect for the purpose of securing payment of premium hereunder. In the event that the Assured inadvertently fails to maintain such a Collateral Deposit Fund or such a Surety Bond in an amount sufficient so that at all times such amount is in excess of the unpaid premium then or thereafter payable with respect to any or all risks which have attached under the terms of the policy, it shall be a condition of this insurance that within seven days from the time such insufficiency comes to the knowledge of the Assured, additional collateral or an increase in Surety Bond will be provided by the Assured in an amount not less than double the amount of such insufficiency and for a sum which shall be an even multiple of Five Hundred (\$500) Dollars, and in addition a certified check or cashier's check payable to the Treasurer of the United States, in the amount of One Hundred (\$100) Dollars will be paid to the Underwriting Agent as a fee for the continuation of this Policy. In all such cases the Assured shall file with the Underwriting Agent an affidavit in form prescribed by the Administration setting forth the facts with respect to such insufficiency. Failure to comply with the provisions of this Article shall result in the voidance of this policy as of the date upon which the Collateral Deposit Fund or Surety Bond became insufficient, but such voidance shall not relieve the Assured of liability to pay premium

on all shipments made prior to the termination of said seven day period.

Notwithstanding the foregoing, however, if the Administrator or his duly authorized representative shall determine that the failure of the Assured to maintain a sufficient Collateral Fund or Surety Bond was wilful rather than inadvertent, said policy shall be void from the date said Collateral Fund or Surety Bond was first insufficient to secure the premiums on risks which would otherwise have attached hereunder.

14. The Assured warrants and agrees that it will regularly keep books, records and accounts in such manner and form that all information available to the Assured as to the amounts at risk and the amounts of losses incurred and premiums due can be readily ascertained therefrom by the War Shipping Administration. The Assured, as often as may be reasonably required, shall exhibit such books, records and accounts to any person designated by the War Shipping Administration, and submit to examinations under oath by any person named by the War Shipping Administration, and subscribe the same.

15. This insurance shall not be invalidated by any error, or omission in the filing of Closing Reports which is demonstrated to the satisfaction of the Administrator to have been inadvertent or unintentional, or by any failure to report which is demonstrated to the satisfaction of the Administrator to have arisen from causes beyond control of the Assured. The Administrator, or his representative duly authorized under Administrative Orders, may waive strict compliance with any warranty or condition of this insurance to the extent that he may determine that it imposes a hardship on any claimant in good faith hereunder which would not be imposed in connection with a policy issued in accordance with commercial practice in the marine insurance business, and to the extent that he may determine that such waiver is not contrary to the purposes of the Statute under which this Policy is issued. In any determination as aforesaid the decision of the Administrator, or his duly authorized representative, shall be conclusive upon all parties thereto.

16. This policy does not cover shipments of specie, currency, securities, valuable documents, jewelry, precious stones, gold and silver and other precious metals, nor any articles transported by means of ordinary mail or air-mail or registered mail or parcel post; nor any of such other commodities as may be incorporated now or hereafter in the list of "Excluded Commodities" (Sec. 305.119) of the rules and regulations of the War Shipping Administration Division of Wartime Insurance.

17. No shipment of cargo coming within the scope of this policy shall attach hereunder subsequent to the sailing of the carrying vessel from the original port of loading with respect to such cargo. Notwithstanding the foregoing provision, an Assured may specially declare to his Underwriting Agent any shipment excluded from coverage by the preceding sentence, in which event insurance shall attach hereunder, if vessel and interest insured is safe in port on date of such declaration, or shall attach upon the safe arrival of vessel and interest insured at first port thereafter, warranted no known or reported loss of or damage to said vessel and interest insured at time of attachment.

18. Where and as used in this policy, the word "Imports" means property which, at the time of the attachment of the risk, is (a) intended for use, consumption, manufacturing or other processing, or sale, within the Continental United States (excluding Alaska), or (b) intended for inclusion within a common stock of goods, wares, or merchandise, located within the Continental United States (excluding Alaska), for sale or resale

out of such common stock in the foreign or domestic commerce of the United States, or (c) consigned to the Continental United States (excluding Alaska) for account of the United States or any department or agency thereof, including corporations wholly owned by the United States. Such property shall not cease to be considered imported in the event of a bona fide change in the intention on the part of the Assured or other person having control of the goods, made subsequent to the attachment of the risk and without prior agreement, understanding, or arrangement. Without limiting the generality of the foregoing, goods, which at the time of attachment of the risk were intended to be transshipped or re-exported otherwise than at a place within the Continental United States (excluding Alaska), shall not be considered imports for the purposes of said policy, unless such re-export is to a port or place shipments to which are covered by the terms of an endorsement to this policy.

19. Warranted by all Assureds, under this insurance that, to the best of their knowledge and belief, no person, corporation, partnership or association whose name appears in any Proclaimed List of Blocked Nationals issued by or under authority of the Government of the United States of America or of the Government of any nation party signatory of the "United Nations Pact" promulgated on or about January 2, 1942 has any ownership, title or interest in or to the goods insured. The term "Assured" as used in the foregoing Warranty shall include all persons claiming under this Warshipopencargo Policy, but no information received by any Assured after the goods have been shipped and insured hereunder, and after he has acquired his title to or interest therein, shall be set up against such Assured as a breach of the above Warranty.

20. Warranted by the Assured that the Assured in whose name this policy is issued is: if an individual, either a citizen of the United States or a resident within the United States or one of the territories and possessions of the United States; if a partnership or a corporation, that it is organized and existing under and by virtue of the laws of the United States, a State of the United States, one of the territories and possessions of the United States or a political subdivision thereof; or if a foreign corporation, that it has an office or place of business within the United States or one of the territories and possessions of the United States and that shipments covered hereunder are for the account of said office.

§ 305.119 *Excluded commodities.* In addition to the described commodities listed in Clause 16 of Part II of the Warshipopencargo Policy excluded from any coverage of the Warshipopencargo Policy, War Shipping Administration, Division of Wartime Insurance, hereby promulgates an additional list of commodities excluded entirely or in part from coverage of the Warshipopencargo Policy.

(a) The following commodities are excluded entirely from any coverage of any Warshipopencargo Policy issued on or before April 1, 1943:

(1) Dressed and undressed furs and (2) art works and antiques, as defined in the United States Department of Commerce "Statistical Classification of Imports" in the sections of Code Classification, numbered respectively (1) 0700.0-0738.8, and (2) 9610.0-9670.3.

(b) The following commodities are excluded in part and to the extent stated herein from coverage of any Warshipopencargo Policy issued on or before April 1, 1943:

(1) Soap and toilet preparations and (2) metal articles as defined in the United States Department of Commerce "Statistical Classification of Imports" in the sections of Code Classification, numbered respectively (1) 8711.0-8731.2 and (2) 6835.0-6905.0 are excluded from any coverage hereunder, except with respect to shipments made from the continental United States (excluding Alaska) to the territories and possessions of the United States including Alaska.

(c) With respect to Warshipopencargo Policies issued prior to April 1, 1943, underwriting agents are authorized to include commodities excluded by paragraphs (a) and (b) of this section with respect to shipments:

a. Under Ocean Bills of Lading dated on and after the date of the publication of this General Order No. 6 in the FEDERAL REGISTER, or

b. If Ocean Bills of Lading not issued, under equivalent shipping documents dated on or after said date, or

c. If no Ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden on overseas vessel on and after said date.

§ 305.120 *Definition of territories and possessions.* Whenever reference is made to the territories and possessions of the United States in General Order No. 6 or any supplement thereto or any policy of insurance issued pursuant to the provisions thereof, said territories and possessions shall be deemed to include only Alaska, Hawaiian Islands, Virgin Islands, Panama Canal Zone, Puerto Rico including Vieques Island, American Samoa, Midway Island and Palmyra Island.

§ 305.121 *Modification of the requirements of the Loss Clause (a) (b) (c) of Part I of the Warshipopencargo Policy.* Whenever in the judgment of the War Shipping Administration, Division of Wartime Insurance, the provisions of Part I of the Warshipopencargo Policy form designated (a) (b) (c) requiring the filing of a specified affidavit in the event of loss, work an inequity with respect to any commodity by reason of any subsidy payable by the Government of the United States or any department, agency, or corporate instrumentality thereof, consideration will be given to an appropriate modification of said provisions by endorsement and in a proper instance a corrective endorsement to the policy will be permitted.

§ 305.125 *Standard Optional Endorsement No. 1.* The following is the amended form of Standard Optional Endorsement No. 1:

In consideration of such additional rate as may be prescribed from time to time by the War Shipping Administration, it is understood and agreed that Clause 4 (c) of Part II of this policy is deleted.

It is further understood and agreed that, if owing to circumstances beyond the control of the Assured, the merchandise insured hereunder is landed at an intermediate port other than the intended port of discharge, this insurance shall continue in force within the confines of said port subject to all of its terms until the Assured has had a reasonable opportunity to forward the goods to their intended destination, or substituted destination, or to dispose of said goods at port of

landing. If prior to the termination of this insurance, said goods are forwarded by overseas vessel to their original intended port of discharge or to a substituted destination as aforesaid this policy shall continue to cover, subject to its terms, to such original intended port of discharge or to such substituted destination without further additional premium. This insurance shall also continue in force as aforesaid if the merchandise insured hereunder subsequent to attachment of this insurance is discharged at the port of loading but only provided that at the time of such discharge title to and interest in the goods is vested in a citizen of the United States, a domestic corporation or partnership, or the Assured in whose name this policy is issued, and such insurance at port of loading shall terminate if at any time during the continuance of such insurance as aforesaid title to and interest in the goods shall no longer be vested in a citizen of the United States, a domestic corporation or partnership, or the Assured in whose name this policy is issued.

All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. I must be made to the underwriting agent who may issue such endorsement without prior approval of the War Shipping Administration. When a policy has been endorsed with Standard Optional Endorsement No. I additional premium must be paid on shipments within its scope even though events prove the clause was not operative.

This endorsement, as amended herein, is deemed included in any policy to which Standard Optional Endorsement No. 1 has heretofore been attached.

With respect to all shipments of goods coming within the scope of the Warshipopencargo Policy an assured may elect to have his policy endorsed with Standard Optional Endorsement No. I applicable:

(a) On all shipments coming within the scope of the Warshipopencargo policy

(b) On all shipments of a specified commodity coming within the scope of the Warshipopencargo policy

(c) On all shipments moving between ports and/or places of a specifically defined geographical location.

§ 305.126 *Standard Optional Endorsement No. IV.* The following is the amended form of Standard Optional Endorsement No. IV:

It is understood and agreed that this policy is to cover with respect to all shipments otherwise coming within the scope of this policy but shipped to or consigned to the Assured, or shipped by the Assured, and for the account and risk of _____, hereinafter referred to as the principal. The Assured warrants that he is a duly authorized agent of said principal for the purposes of the insured transaction. The Assured warrants that closing reports as provided for by the terms of this policy and by the terms of General Order No. 6 of the War Shipping Administration and supplements thereto will be filed by him with respect to all shipments insured hereunder, and subject to all the conditions and regulations of the War Shipping Administration relating to such reports. In the event of loss, any sums payable under the terms of this policy shall be paid to the order of said principal.

In event of loss, the Agent shall be required to file the affidavit called for by the terms of this policy, but if the principal is domiciled in the United States of America,

or any possession or territory thereof, as defined in General Order No. 6 or any supplement thereto, or maintains regular office or place of business therein, said principal shall be required to file a similar affidavit. In the event of loss the amount collectible hereunder shall not exceed the amount which would have been collectible by the principal if he were named as the Assured hereunder. All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. IV must be made to the underwriting agent who may issue such endorsement without prior approval of the War Shipping Administration.

This endorsement as herein set forth is deemed included in any policy to which it has heretofore been attached.

§ 305.127 Standard Optional Endorsement No. VIII. The following is the amended form of Standard Optional Endorsement No. VIII:

Notwithstanding anything to the contrary contained in either Part I or Part II of the Warshipopencargo Policy form (Sec. 305.118) or any endorsement attached to this policy of prior date to this endorsement, it is understood and agreed that this policy covers only such of the following classes of shipments as are indicated by the insertion of the word "yes" in the blank indicated opposite to such class of shipments:

- () 1. Imports to the Continental United States excluding Alaska.
- () 2. Exports from the Continental United States excluding Alaska to the territories and possessions of the United States, including the Panama Canal Zone and Alaska.
- () 3. Shipments between ports in the Continental United States excluding Alaska.
- () 4. Shipments between ports in any one territory or possession of the United States, including the Panama Canal Zone and Alaska.
- () 5. Shipments to the territories and possessions of the United States including the Panama Canal Zone and Alaska (excluding shipments from the Continental United States excluding Alaska).

Notwithstanding the foregoing this policy shall not cover any specific classes of shipments that may be specifically excluded from coverage hereunder by special agreement incorporated in this policy by endorsement.

All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. VIII must be made to the underwriting agent who may issue such endorsement without prior approval of the War Shipping Administration.

Whenever any class of shipments specified in Standard Optional Endorsement No. VIII is to be covered the word "yes" should be inserted in the appropriate space and whenever any class of shipments specified in Standard Optional Endorsement No. VIII is not to be covered the word "no" should be inserted in the appropriate space.

This endorsement as herein set forth is deemed included in any policy to which it has heretofore been attached and is deemed to include the insertion of the word "yes" or "no" in the blank indicated opposite to such class of shipments as was indicated in the Endorsement existing prior to the amendment herein.

§ 305.128 Standard Optional Endorsement No. IX. The following is the amended form of Standard Optional Endorsement No. IX:

In consideration of such special rate as may be named from time to time by the War Shipping Administration, it is hereby understood and agreed that notwithstanding the terms of Clause 18 of Part II of Warshipopencargo Policy form, this policy is extended to cover shipments of goods which would be covered under the terms of this policy but for said Clause 18 which at the time of the attachment of the risk or subsequent thereto are intended for re-export to United States Army foreign bases. The Assured warrants that closing reports for all such shipments will be made on separate closing reports from any other shipments covered by this policy.

All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. IX must be made to the underwriting agent who may issue such endorsement without prior approval of the War Shipping Administration. The rates named by the War Shipping Administration for shipments coming within the scope of this endorsement will be at levels deemed compensatory by War Shipping Administration.

The endorsement as amended herein is deemed included in any policy to which it has heretofore been attached.

§ 305.129 Standard Optional Enforcement No. X and Standard Optional Endorsement No. XI. (a) The following is the amended form of Standard Optional Endorsement No. X:

In consideration of such additional rate as may be prescribed from time to time by War Shipping Administration, notwithstanding the terms of Part I and of Clause 18 of Part II of the Warshipopencargo Policy form, it is hereby understood and agreed that this policy covers only shipments to United States ports of _____ which would be covered under the terms of this policy but for said Clause 18 but which are thereby excluded from coverage by reason of the fact that at the time of attachment of risk the goods are intended for re-export to Canada; this coverage shall continue notwithstanding the fact that subsequent to attachment of risk the destination of the carrying vessel is changed to a port in Canada for the direct discharge of the goods.

All other terms and conditions remaining unchanged.

(b) The following is the amended form of Standard Optional Endorsement No. XI.

In consideration of such additional rate as may be prescribed from time to time by the War Shipping Administration, notwithstanding the terms of Part I and of Clause 18 of Part II of Warshipopencargo Policy form, it is hereby understood and agreed that this policy is extended to cover shipments to United States ports of _____ which would be covered under the terms of this policy but for said Clause 18 but which are thereby excluded from coverage by reason of the fact that at the time of attachment of risk or subsequent thereto the goods are intended for re-export to Canada; this coverage shall continue notwithstanding the fact that subsequent to attachment of risk the destination of the carrying vessel is changed to a port in Canada for the direct discharge of the goods. The Assured warrants that closing reports of all

such shipments will be made on separate closing reports from any other shipments covered by this policy.

All other terms and conditions remaining unchanged.

Standard Optional Endorsement No. X and Standard Optional Endorsement No. XI will not be issued until an application filed with the underwriting agent has been approved by the War Shipping Administration. Neither of these endorsements will be granted merely because a saving in war risk premium would accrue to an assured, and it is necessary that any cargo covered by either of these endorsements must be of a high priority nature. These rates named by the War Shipping Administration for shipments coming within the scope of these endorsements will be at levels deemed compensatory by the War Shipping Administration. Either of these endorsements as amended herein is deemed included in any policy to which either of them has heretofore been properly attached.

§ 305.130 Standard Optional Endorsement No. XII. The following is the amended form of Standard Optional Endorsement No. XII:

This endorsement shall not apply to goods sold by the Assured prior to loading on board the overseas vessel and shipped for the account and at the risk of third parties other than a branch, subsidiary or affiliate of the Assured. With respect to all other goods coming within the scope of the policy, except as may otherwise be provided below, shipped:

(a) Under Ocean Bills of Lading dated on or after _____, or

(b) If Ocean Bills of Lading not issued, under equivalent shipping documents dated on or after said date, or

(c) If no Ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden on overseas vessel on and after said date,

the loss provisions of Part I hereof set forth in Paragraphs (a) (b) (c) of the Warshipopencargo Policy limiting the amount collectible in the event of loss are hereby deleted and the following substituted therefor: "In the event of loss the Assured shall be required to file an affidavit to the effect that the amount claimed does not exceed the actual bona fide pecuniary loss to the Assured, exclusive of any allowance for anticipated or accrued profit arising out of the insured venture. Such affidavit shall be subject to the provisions of Section 35 (a) of the Criminal Code."

(Insert any authorized exceptions)
All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. XII must be made to the underwriting agent who may issue the endorsement without prior approval of the War Shipping Administration. With respect to all shipment of goods coming within the scope of the Warshipopencargo Policy (except goods sold by the assured prior to loading on board the overseas vessel and shipped for the account and at the risk of third parties other than branch, subsidiary or affiliate of the assured) an assured may elect to have his policy endorsed with Standard Optional Endorsement No. XII applicable (a) on all such shipments, or (b) on all outward shipments, or (c) on all inward shipments, also on named commodities: *Provided, however, That when*

the assured has elected certain named commodities he may not change to a different basis on those commodities except on ninety (90) days notice to the War Shipping Administration through the underwriting agent.

The endorsement as herein set forth is deemed included in any policy to which it has heretofore been attached.

§ 305.131 Standard Optional Endorsement No. XIV. The following is the form of Standard Optional Endorsement No. XIV:

Notwithstanding anything to the contrary contained herein, shipments of _____, to the Continental United States (excluding Alaska) are hereby covered subject to all the terms and conditions of this policy not in conflict herewith. It is warranted by the Assured that War Shipping Administration shall not be liable for more than two hundred and fifty thousand (\$250,000) dollars in any event by loss or damage in respect to shipments by any one vessel under the terms of this Endorsement. It is further warranted by the Assured that no shipment will attach hereunder until a qualified officer of the overseas vessel has received for the goods covered by this endorsement by acknowledging deposit of the same in the safe or strong room of the carrying vessel.

All other terms and conditions remaining unchanged.

Application for Standard Optional Endorsement No. XIV must be submitted to an underwriting agent for transmission to War Shipping Administration for approval of the issuance of the said endorsement. This endorsement is designed to provide coverage for shipments of diamonds used for industrial purposes, or rubies, or sapphires, natural or synthetic, used for instruments or watch jewels, imported to the continental United States (excluding Alaska).

The endorsement as herein set forth is deemed included in any policy to which it has heretofore been properly attached.

§ 305.132 Standard Optional Endorsement No. XV. The following is the form of Standard Optional Endorsement No. XV:

With respect to shipments otherwise coming within the scope of this policy but failing to attach hereunder by reason of the goods being shipped or consigned prior to the date set forth in Clauses a, b, and c of Part I of this policy, it is specially understood and agreed that this insurance shall nonetheless attach provided that the goods have not arrived at port of final destination on or before the date of this endorsement and that as of the date of this endorsement, there is no known or reported loss of such shipments by reason of perils insured by this policy. For the purpose of this endorsement the words "known or reported loss" shall be deemed to include any loss known or reported to either the Assured or the War Shipping Administration. This endorsement shall not, however, apply to any goods which would not have been covered under the terms of Warshipopencargo Policy No. _____ had said policy remained in full force and effect. In consideration of the coverage provided by this endorsement, it is agreed that the rates applicable to such shipments shall be 50% in excess of the standard rates of the War Shipping Administration applicable to similar shipments.

All other terms and conditions remaining unchanged.

Where prior to January 30, 1943 a Warshipopencargo Policy has been terminated by reason of the breach of the warranty embodied in Clause 13 of Part II of the Warshipopencargo Policy as it existed prior to January 30, 1943, and a new policy has been or is issued in replacement of said terminated policy, Standard Optional Endorsement No. XV may be attached to said replacement policy by the underwriting agent without prior approval of the War Shipping Administration. Such endorsement must incorporate the policy number of said terminated policy. The application for the endorsement must be made at the time of application for the issuance of the replacement Warshipopencargo Policy or not later than March 4, 1943, whichever may last occur.

(a) Whenever a Warshipopencargo Policy has been endorsed with Standard Optional Endorsement No. XV, additional premium must be paid on shipments included in the replacement policy and which are subject to the terms and conditions of the said endorsement.

(b) This endorsement as herein set forth is deemed included in any policy to which it has heretofore been attached.

§ 305.133 Manner of endorsement.

(a) Every endorsement for attachment to a Warshipopencargo Policy issued subsequent to the issuance of such Warshipopencargo Policy should be preceded by the following language whenever similar language is not a part of the endorsement unless otherwise specified:

This endorsement is effective with respect to shipments—

a. Under ocean Bills of Lading dated on or after _____, or,

b. If ocean Bills of Lading not issued, under equivalent shipping documents dated on and after said date, or

c. If no ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden on overseas vessel on and after said date.

(b) No endorsement should be made retroactive unless by special authorization of the War Shipping Administration, Division of Wartime Insurance.

§ 305.150 Form No. 1—Application Form for Warshipopencargo Policy (Revised).

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION
WARSHIPOPENCARGO POLICY APPLICATION

Effective with respect to shipments (a) under Ocean Bills of Lading dated on and after _____ (which shall be not earlier than the date of the completion of the requirements for the issuance of the policy), or (b) if Ocean Bills of Lading not issued under equivalent shipping documents dated on and after said date, or (c) if no Ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden or overseas vessel on or after said date, a Warshipopencargo Policy containing the warranties and conditions promulgated in General Order No. 6 of the War Shipping Administration and any amendments in effect at the date of this application is requested by:

Name of assured _____
Address _____

No. Street City County State

Specify by insertion of the word "YES" in the blank provided therefor which class of shipments the Assured desires to cover:

- 1. Imports to the Continental United States excluding Alaska.
- 2. Exports from the Continental United States excluding Alaska to the territories and possessions of the United States including the Panama Canal Zone and Alaska.
- 3. Shipments between ports in the Continental United States, excluding Alaska.
- 4. Shipments between ports in any one territory or possession of the United States, including the Panama Canal Zone and Alaska.
- 5. Shipments to the territories and possessions of the United States including the Panama Canal Zone and Alaska (excepting shipments from the Continental United States excluding Alaska).

Merchandise not to be covered, if any _____

Specify the basis of valuation _____

(If sufficient space is not available, fill out the requirements on a supplemental sheet of paper and annex the same with appropriate reference to this application.)

Specify by number which of the Standard Optional Endorsements are required: _____

If Standard Optional Endorsements Nos. X or XI or XIV are applied for, a supplemental statement must be attached hereto, designating the goods and setting forth the reasons why such endorsements should be granted. Neither of such endorsements will be issued except upon instructions of the War Shipping Administration, to whom such supplemental statement will be submitted for appropriate action.

If Standard Optional Endorsement No. IV (revised) has been designated, list the names of the principals and their respective addressees.

If Standard Optional Endorsement No. 1 (amended) has been designated attention is directed to the requirement of additional premium.

Assured
By: _____
Title: _____

This application must be accompanied by either (a) Standard Form of Transmittal of Collateral Deposit Fund with accompanying cashier's or certified check, or (b) Standard Form of Surety Bond executed by the Assured as Principal and by the Surety, complying in either case with all applicable provisions of General Order No. 6, and Supplements thereto.

§ 305.151 Form No. 2—Standard Form of Letter for Transmittal of Collateral Deposit Fund.

Collateral Deposit Fund Transmittal Form

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION
Policy No. _____
Amount Enclosed \$ _____
To: War Shipping Administration
C/O _____ Underwriting Agent

Enclosed herewith is certified or cashier's check drawn to the order of the Treasurer of the United States in the above sum to be held by the War Shipping Administration as a collateral deposit fund under the above numbered Warshipopencargo Policy pursuant

ant to all of the terms and conditions of said policy, and such additional conditions and regulations as may be promulgated from time to time by the War Shipping Administration, and published by the War Shipping Administration in the FEDERAL REGISTER as provided in said policy.

Dated: _____

Assured

Received this _____ day of _____, 194____

Underwriting Agent

Deposited in Federal Reserve Bank at _____ on _____, 194____

§ 305.152 - Form No. 3—Transmittal Form for Endorsement of Increase or Decrease to Surety Bond.

Increase¹ _____ is desired in amount of Surety Decrease¹ _____ Bond of _____ Company dated the _____ day of _____, 19____, in accordance with the terms of the endorsement submitted herewith.

(Assured)

By: _____

(Title)

§ 305.153 Form No. 4—Standard Form of Increase-Decrease Rider for Bond Guaranteeing Payment of Insurance Premiums on Warshipopencargo Policy.

RIDER

To be attached to and form a part of Bond Guaranteeing Payment of Insurance Premiums, No. _____, issued by _____ as principal, dated the _____ day of _____, 19____, in the amount of _____ (\$_____) Dollars.

In consideration of {increased¹} premium charged for the attached bond, it is understood and agreed as follows:

1. The amount of the attached bond is hereby {increased¹} from _____ (\$_____) Dollars to _____ (\$_____) Dollars as to such and so many of the premiums required to be paid under the Warshipopencargo Policy No. _____, referred to in the attached bond, as accrue after the day, month, year of the receipt of this endorsement as acknowledged below by an Underwriting Agent for the War Shipping Administration: *Provided*, That, regardless of the number of changes made in the amount of the attached bond, no amount carried under the attached bond during any period, whether the original amount or any subsequent amount, shall be cumulative with any amount or amounts carried under the attached bond during any other period or periods.

2. The attached bond shall be subject to all its terms, conditions and limitations except as herein expressly modified.

Signed, sealed and dated the _____ day of _____, 194____.

By: _____

Principal

Attest: _____

By: _____

Attest: _____ Receipt of this endorsement is hereby acknowledged subject to the rules and regu-

¹ Strike out inapplicable word.

lations of War Shipping Administration this day of _____, 194____, and shall become effective according to its terms as of this date.

By: _____ Underwriting Agent
By: _____

§ 305.154 Form No. 5—Form of Application for Cancellation of Warshipopencargo Policy.

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION

hereby applies for cancellation of Warshipopencargo Policy No. _____ to be effective the _____ day of _____, 19____.

By: _____ (Assured)
By: _____ (Title)

War Shipping Administration by _____ acknowledges receipt of the original Policy No. _____ on _____ day of _____, 19____.

Underwriting Agent
By: _____

§ 305.155 Form No. 6—Form of Release on Cancellation of Surety Bond.

Whereas _____ has made application to War Shipping Administration for the cancellation of Bond No. _____ of the _____ (Surety Company) effective the _____ day of _____, 19____, in accordance with Paragraph 2 of the conditions of said bond, guaranteeing the payment of all premiums due and payable under the terms and conditions of Warshipopencargo Policy No. _____.

It is hereby understood and agreed that _____ (Surety Company) is relieved of any and all liability under Bond No. _____ for premiums on risks attaching after the _____ day of _____, 19____.

Dated at _____ this _____ day of _____, 19____.

WAR SHIPPING ADMINISTRATION
By: _____ (Underwriting Agent)

§ 305.156 Form No. 7—Affidavit To Be Used in Effecting the Repayment of the Decrease of the Collateral Deposit Fund.

STATE OF _____ County of _____ ss:
_____, being first duly sworn, deposes and says¹ (either (1) (he) (she) is an officer, to wit: _____ (Title)
of the _____, insured _____ (Name of Corporation or Company) under Warshipopencargo Policy No. _____ or (2) (he), (she) is the Assured named in Warshipopencargo Policy No. _____ and is familiar with all matters pertaining thereto.

That the refund of _____ Dollars was effected on the _____ day of _____, 19____, but has not yet been repaid; that all premiums accrued by reason of the attachment of all risks covered under Warshipopencargo Policy No. _____ up to the time of the receipt of Form No. (10) on the _____ day of _____, 194____, by the Underwriting Agent, have been paid in full and the unpaid premium accrued by rea-

¹ Strike out inapplicable part in parentheses.

son of the attachment of any and all risks since said date and at the date of the verification of this affidavit is not greater than _____, (\$_____) Dollars, the amount remaining on deposit if payment is made as herein requested.

Wherefore, deponent requests that _____ (\$_____) Dollars be repaid.

By: _____ (Assured)
By: _____ (Title)

Subscribed to and sworn before me this _____ day of _____, 194____.

Notary Public

Attention is directed to Section 35 (a) of the Criminal Code of the United States which provides for punishments ranging as high as ten years imprisonment or \$10,000 fine, or both, for filing false, fictitious, or fraudulent documents with a department or agency of the United States.

§ 305.157 Form No. 8—Form Application for Revision of Warshipopencargo Policy.

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION

Application for revision in Warshipopencargo Policy No. _____
Issued and countersigned by _____ (Name of

Underwriting Agent)

Effective on and after the date upon which this application is received by the above-mentioned Underwriting Agent, as to shipments

(a) under Ocean Bills of Lading, so dated, or
(b) if Ocean Bills of Lading are not issued, under equivalent shipping documents, so dated, or

(c) if no Ocean Bills of Lading or equivalent shipping documents are issued or the same are undated, laden on overseas vessel as of such date.

The Assured hereby requests the following change be endorsed upon the above-mentioned policy:

If this form does not contain sufficient space to set forth the desired changes, attach another sheet of paper hereto, and incorporate the same by reference.

This form must be filed in duplicate with the afore-mentioned Underwriting Agent.

(Type or print Assured's name)

(Type or print Assured's address)

By: _____

Title: _____

[Do not use this section]

§ 305.158 Form No. 9—Affidavit To Be Submitted With a "Final Closing Report on Cancellation of Policy".

STATE OF _____ County of _____ ss:
_____, being first duly sworn, (Deponent's Name) deposes and says that¹ (either (1) (he), (she) is an officer, to wit: _____ (Title)
of _____, the (Name of Corporation or Company) Assured named in Warshipopencargo Policy

No. _____, or (2) _____ is the Assured named in Warshipopencargo Policy No. _____, issued by War Shipping Administration, and does hereby certify, warrant, represent and affirm on his own behalf¹ (if (1) is used, include the following: "and on behalf of said Assured") that the information in the "Final Closing Report on Cancellation of the Policy" contains in all respects a true, accurate and complete list of all shipments of goods covered by Warshipopencargo Policy No. _____ made at any time which have not previously been reported; that the certified check or cashier's check tendered in payment of premium with the "Final Closing Report on Cancellation of Policy" pays in full any and all unpaid premium which at any time became due and payable under Warshipopencargo Policy No. _____.

This affidavit is furnished by the Assured and executed by defendant pursuant to the terms and conditions of Warshipopencargo Policy No. _____ with the intent and the full knowledge of the deponent² (if (1) is used, add the words "and the Assured") that War Shipping Administration will rely thereon in authorizing the refund of the collateral deposit maintained by the Assured for securing to War Shipping Administration the payment of premium under Warshipopencargo Policy No. _____.

Subscribed and sworn to before me this _____ day of _____, 19____.

Notary Public

Attention is directed to Section 35 (a) of the Criminal Code of the United States which provides for punishments ranging as high as ten years imprisonment or \$10,000 fine, or both, for filing false, fictitious, or fraudulent documents with a department or agency of the United States.

§ 305.159 Form No. 10—Standard Form To Be Used Where Decreasing Amount of a Cash Collateral Deposit.

The Assured, _____ hereby applies to decrease the amount of the Collateral Deposit maintained to secure the payment of premiums under Warshipopencargo Policy No. _____. The Assured agrees that for all purposes except for the actual repayment of the sum of _____ (\$_____) Dollars, hereby demanded, that payment shall be considered as made at the date that the Underwriting Agent acknowledges receipt of this request.

(Assured)
By: _____

(Title)

Receipt is hereby acknowledged of the application for reduction in amount of Collateral Deposit by the sum of _____ (\$_____) Dollars, this _____ day of _____, 19____.

(Underwriting Agent)
By: _____

Actual repayment of money will be made according to the terms and conditions of the Warshipopencargo Policy and regulations thereto.

§ 305.160 Form No. 11—Affidavit to be Attached to Closing Report.

¹ Strike out inapplicable part in parentheses.
² Delete inapplicable words in brackets.

STATE OF _____
County of _____ ss:
_____, being first duly sworn
(Name of Affiant)
deposes and says that ¹(1) (he), (she) is an officer, to wit: _____ of the
(Title)
insured under War-

(Name of Corporation or Company)
shipopencargo Policy No. _____, or that
(2) (he), (she) is the Assured named in Warshipopencargo Policy No. _____, and does hereby certify, warrant, represent and affirm on (his), (her) own behalf and on behalf of said Assured that ¹(the closing report), or ¹(set of closing reports), to which this affidavit pertains, contains in all respects a true, accurate and complete list of all goods covered under said Warshipopencargo Policy required to be reported on a closing form by the terms and conditions of said Warshipopencargo Policy for the calendar month ending _____, 19____; ¹(and no shipment is reported herein which is excluded by Clause 18 of Part II of Warshipopencargo Policy form.)

The ¹(closing report) or, ¹(set of closing reports) is furnished by the Assured and this affidavit is made by the Affiant pursuant to the terms and conditions of said Warshipopencargo Policy and is furnished by the Assured and by the Affiant with full knowledge that War Shipping Administration will rely thereon, and with the intent and purpose of inducing the War Shipping Administration to rely thereon.

Subscribed to and sworn before me this _____ day of _____, 19____.

Notary Public
Optional Endorsements IX, X, and XI are reported.

Attention is directed to section 35 (a) of the Criminal Code of the United States which provides for punishments ranging as high as ten years imprisonment or \$10,000 fine, or both, for filing false, fictitious, or fraudulent documents with a department or agency of the United States.

§ 305.161 Form No. 12—Standard Form of Application for Return Premium.

This application must be filled in duplicate with underwriting agency issuing policy

Do not fill out this space
Premium paid _____
Checked by Underwriting Agency _____
Checked by Clearing Organization _____
Approved by _____

For Director of War-time Insurance

§ 305.162 Form No. 13—Standard Form of Closing Report.

NOTE.—To be filed in duplicate. This report must be sworn to by use of affidavit on reverse hereof.

Monthly closing report for the month of _____, 19____.

Assured _____

Agent's No. _____ Policy No. _____ Closing Report No. _____

Sheet No. _____

Do not use this space

Rate verified	Premium verified	Check deposited
Footings verified		
Summary posted		Date _____

Receipt No. _____

Risk No.	Shipping document		Marks and numbers	Quantity of goods	Type of goods or merchandise	Voyage	Inward shipment arrival date or outward shipment dispatch date	Amount	Rate	Premium	Remarks
	Type	No.									

¹ Strike out inapplicable words in parentheses where shipments covered by Standard.

² Delete inapplicable words in brackets.

§ 305.163 Standard Form of Surety Bond A—In procuring the issuance of a Warshipopencargo Policy the following is the standard form of bond approved by the War Shipping Administration:

Know all men by these presents, That We _____ of _____, as Principal, and _____, as Surety, are held and firmly bound unto War Shipping Administration in the sum of _____ (\$_____) Dollars, to the payment of which we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

The condition of this obligation is such that whereas _____ Principal, under application dated the _____ day of _____, 19____, has applied for the issuance of a Warshipopencargo Policy by War Shipping Administration, and

Whereas, War Shipping Administration has agreed to accept this bond as a guarantee of the payment of all premiums due and payable under the terms and conditions of such Warshipopencargo Policy when issued, or endorsements thereto or modifications thereof, whether or not consented to by the Surety.

Now, therefore, if the Principal shall well and truly pay unto War Shipping Administration the premiums due under the said Open War Risk Insurance Policy at the times and in the manner provided therefor in said Policy, then this obligation is to be void; otherwise to remain in full force and effect;

Provided, however, This bond is executed by the Surety, upon the following express conditions, which shall be precedent to the right of recovery hereunder.

1. If the Principal shall fail to file with the Underwriting Agent of the War Shipping Administration on or before the 25th day of each month during which this bond is in effect, a sworn statement of values of all shipments covered under the policy during the preceding calendar month and concurrently therewith pay to War Shipping Administration the premiums called for by said sworn statement, then the War Shipping Administration shall so notify the Surety as soon as practicable but in no event later than 45 days from date such sworn statement is due; and, in such event the Surety shall not be liable for any premiums accruing on risks attaching subsequent to date of such notice under said Open War Risk Insurance Policy.

2. This bond may be cancelled by either the Principal or the Surety at any time upon fifteen days (15) written or telegraphic notice to the Director of Wartime Insurance of War Shipping Administration at Washington, D. C., but such cancellation shall not affect the liability of the Principal and the Surety hereunder for premiums on risks attaching on or prior to expiration of said fifteen (15) days period.

In witness whereof, the above-bounded parties have executed this instrument under their several seals this _____ day of _____, 19____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

By _____
Attest _____

By _____
Attest _____

NOTE: War Shipping Administration requires the signature by or on behalf of the Assured to appear on this bond.

§ 305.164 Standard Form of Surety Bond B—In substituting a surety bond for a cash collateral deposit the following is the standard form of surety bond

approved by the War Shipping Administration:

Know all men by these presents, That We _____ of _____, as Principal, and _____, as Surety, are held and firmly bound unto War Shipping Administration in the sum of _____ (\$_____) dollars, to

the payment of which we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

The condition of this obligation is such that whereas War Shipping Administration has issued and delivered to _____ Principal, on the _____ day of _____, 19____, that certain Open War Risk Insurance Policy # _____, and

Whereas, War Shipping Administration has agreed to accept this bond as a guarantee of the payment of all premiums due and payable under the terms and conditions of such Open War Risk Insurance Policy # _____, or endorsements thereto or modifications thereof whether or not consented to by the Surety.

Now therefore, if the Principal shall well and truly pay unto War Shipping Administration the premiums due under the said Open War Risk Insurance Policy at the times and in the manner provided therefor in said Policy, then this obligation is to be void; otherwise to remain in full force and effect;

Provided, however, This bond is executed by the Surety, upon the following express conditions, which shall be precedent to the right of recovery hereunder.

1. If the Principal shall fail to file with the Underwriting Agent of the War Shipping Administration on or before the 25th day of each month during which this bond is in effect, a sworn statement of values of all shipments covered under the policy during the preceding calendar month and concurrently therewith pay to War Shipping Administration the premiums called for by said sworn statement, then the War Shipping Administration shall so notify the Surety as soon as practicable but in no event later than 45 days from date such sworn statement is due; and, in such event the Surety shall not be liable for any premiums accruing on risks attaching subsequent to date of such notice under said Open War Risk Insurance Policy.

2. This bond may be cancelled by either the Principal or the Surety at any time upon fifteen days (15) written or telegraphic notice to the Director of Wartime Insurance of War Shipping Administration at Washington, D. C., but such cancellation shall not affect the liability of the Principal and the Surety hereunder for premiums on risks attaching on or prior to expiration of said fifteen (15) days period.

In witness whereof, the above-bounded parties have executed this instrument under their several seals this _____ day of _____, 19____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

By _____
Attest _____

By _____
Attest _____

NOTE: War Shipping Administration requires the signature by or on behalf of the Assured to appear on this bond.

§ 305.165 Approved methods of accomplishment of a surety bond by a surety company. Approval is hereby given for the accomplishment of a surety bond by a surety company through one of the following methods:

(a) Accomplished by an officer with an attest.

(b) Accomplished by an attorney-in-fact with the attest by another attorney-in-fact.

(c) Accomplished by signature by a single attorney-in-fact with no attest, but the surety company's seal affixed to the document.

§ 305.166 Form No. 14—Standard Form of Affidavit to be Filed in Connection with the Requirement of Clause 13 of Part II of the Warshipopencargo Policy Form.

STATE OF _____, County of _____, ss.

(Name of affiant) _____, being first duly sworn, deposes and says¹ (either (1) (he) (she), is an officer to wit:

(Title) (Name of Corporation or Company) insured under Warshipopencargo Policy No. _____ or (2) (he) (she) is the Assured named in Warshipopencargo Policy No. _____ and is familiar with all matters pertaining thereto.

That on the _____ day of _____, 19____, the Assured first had knowledge that the amount of collateral deposited pursuant to the terms of said policy was exceeded by the amount of premium due thereunder; that the amount of collateral deposited pursuant to the terms of said policy on that date was \$ _____; that at the date when the collateral became exceeded by the amount of unpaid premium the collateral was for an amount of \$ _____, and the unpaid premium amounted to \$ _____.

That under the following circumstances the Assured became aware for the first time that said collateral was insufficient (explain in detail the manner in which the collateral became exceeded):

That to the best of the Assured's information and belief the following shipments were made after the date when the collateral first became exceeded and the Assured honestly and in good faith intended said shipments to be covered under the Warshipopencargo Policy No. _____.

This affidavit is furnished by the Assured in order to comply with the provisions of Clause 13 of Part II of Warshipopencargo Policy and is made by the affiant and is furnished by the Assured and by the affiant with full knowledge that War Shipping Administration will rely on the statements contained therein and is submitted for the purpose of inducing War Shipping Administration to rely thereon.

Subscribed and sworn to before me this _____ day of _____, 19____.
(Notary Public)

Attention is directed to section 35 (A) of the Criminal Code of the United States which provides for punishments ranging as high as ten years' imprisonment or \$10,000 fine, or both, for filing false, fictitious, or fraudulent documents with a department or agency of the United States.

§ 305.175 Standard form of application for appointment of underwriting agent.

WAR SHIPPING ADMINISTRATION,
DEPARTMENT OF COMMERCE BUILDING,
Washington, D. C.

Attention: Director, Wartime Insurance

DEAR SIRS: The undersigned, an insurance company duly admitted to transact the busi-

¹ Strike out inapplicable words in parentheses.

ness of marine insurance in the following State or States of the United States,

hereby applies for appointment as Underwriting Agent of the Administrator, War Shipping Administration, to issue and execute open war risk cargo insurance policies on behalf of the United States of America, acting by and through the Administrator, War Shipping Administration, and to perform other functions and duties, as are more specifically set forth in the standard form of underwriting agency agreement adopted by the Administrator and promulgated in the FEDERAL REGISTER of the United States on the 30th day of July, 1942. In connection with this application, we are transmitting herewith three executed counterparts of an underwriting agency agreement in such standard form. Upon the execution of said agreement by or on behalf of the Administrator and the receipt from the Administrator of a duly executed Certificate of Designation of ourselves as underwriting agent and attorney in fact for the War Shipping Administration, this appointment shall thereupon become effective.

Dated _____

(Company)

§ 305.176 Certification of designation of underwriting agent.

Certificate of Designation of _____ as underwriting agent for the War Shipping Administration.

Agency Number _____

It is hereby certified that the United States of America, acting by and through the Administrator, War Shipping Administration, has appointed _____, of _____, its duly authorized agent and attorney in fact to execute and issue open war risk cargo policies of insurance in the name of the United States of America, acting by and through the Administrator, War Shipping Administration, and perform other functions and duties of underwriting agent as provided in an underwriting agency agreement executed by and between the Administrator and said underwriting agent dated _____, which agreement is in the standard form heretofore adopted by the Administrator and published in the FEDERAL REGISTER of the United States under date of July 30th, 1942.

Dated, Washington, D. C., _____

UNITED STATES OF AMERICA,
WAR SHIPPING ADMINISTRATION

By: _____

(Name and Title)

For the Administrator.

§ 305.177 Standard form of underwriting agency agreement.

UNDERWRITING AGENCY AGREEMENT

This Agreement made and entered into this _____ day of _____, 194____, by and between the Administrator of the War Shipping Administration, acting for and on behalf of the United States of America (hereinafter called the "Administrator") and _____, a corporation organized and existing under the laws of _____, and admitted to do the business of marine insurance in one or more of the States of the United States, having an office for the transaction of business at _____ (hereinafter called the "Underwriting Agent"),

Witnesseth:

Whereas under and pursuant to the President's Executive Order 9054 of February 7, 1942, and Public Law 523 of the Seventy-seventh Congress, the Administrator is authorized under certain circumstances to provide marine insurance and reinsurance against loss or damage by the risks of war,

and to exercise this power through such officials or agencies and in such manner as he may determine; and

Whereas the Administrator has determined to exercise certain of these powers for the insurance of cargo through certain private insurance corporations, including the Underwriting Agent, upon the terms and conditions hereinafter set forth;

Now, therefore, in consideration of the premises and of the mutual covenants and agreements, and upon the terms and conditions hereinafter set forth, the parties hereby agree as follows:

1. The Administrator hereby authorizes the Underwriting Agent, as Agent, and not as an independent contractor, to perform the functions hereinafter provided for, subject to the terms and conditions hereinafter specified, and in accordance with the Memoranda of Instructions which may be issued hereunder by the Administrator from time to time.

2. The Underwriting Agent agrees to utilize its offices and facilities to make available to the public the insurance of cargoes against war risks furnished by the Administrator. The Underwriting Agent may act through its Home Office, branch offices or agencies in the United States, its territories or possessions, which are authorized to write marine insurance on behalf of the Underwriting Agent.

The duties of the Underwriting Agent shall be as follows:

(a) The Underwriting Agent shall issue policies covering the class or classes of property and subject to the rates and conditions named by the Administrator. The insurer under such policies shall be the Administrator, and the policy shall be executed or countersigned by the Underwriting Agent.

(b) The Underwriting Agent shall keep a full and complete record of all such policies, and shall also record any premium, collateral deposit fund, or surety bonds required by the terms of such policy, so that a record may be available at all times to the Administrator, both as to all policies issued and as to all Collateral deposit funds or surety bonds provided by the assured in connection with such policies.

(c) The Underwriting Agent shall receive customary Provisional Reports from policyholders, and subject to such regulations as may be adopted by the Administrator, shall take the necessary steps to follow up the same.

(d) The Underwriting Agent shall accept monthly Closing Reports from each policyholder for transmission to a clearing organization which shall be appointed or created by the Administrator for this and other purposes. The Underwriting Agent shall also receive certified checks drawn to the Treasurer of the United States for the premiums involved, if the premiums have not been previously paid, which checks shall be deposited by the Underwriting Agent in the Federal Reserve Bank nearest to its office, or in such other bank as may be authorized by the Administrator to receive such deposits. The Underwriting Agent is to receive from the bank in which the deposits are made receipts therefor in such number as may be prescribed in general instructions to the Agent and handle the receipts so received in accordance with such general instructions.

(e) The Underwriting Agent shall prepare a monthly summary of all such Closing Reports on a standard form to be approved by the Administrator and transmit the same, together with supporting Closing Reports and receipts for deposits made as above provided, to the clearing organization.

(f) The Underwriting Agent shall receive from holders of policies issued by such Underwriting Agent any claims for return premiums in a standard form to be prescribed by the Administrator and shall certify thereon, if such is the fact, that the

amounts with respect to which such return is claimed were previously included in closing reports submitted to the Administrator and that based upon the statements included in such application by the Assured the return premium applied for is payable in accordance with the regulations of the Administration. Such applications and certifications shall be transmitted promptly to the clearing organization.

(g) The Underwriting Agent shall receive reports of losses, prepare adjustments and vouchers, and other data, required by the Administrator, and submit the same with its recommendation as to whether claims are in order for settlement to the Administrator through the clearing organization.

(h) The Underwriting Agent will cooperate with other Underwriting Agents acting in a similar capacity to establish and maintain, through the American Institute of Marine Underwriters or otherwise, an advisory underwriting committee to deal with specific underwriting problems, subject to regulations of the Administrator, and such other advisory committees as may seem necessary to safeguard the interest of the Administrator, including a loss committee to act as a recipient for information as to losses, and to pass upon any recommendations made by the Underwriting Agent as to losses in excess of an amount to be fixed by the Administrator.

3. The Underwriting Agent shall receive for its services such amount as the Administrator may from time to time determine to be fair and reasonable compensation. Such compensation shall be determined by the Administrator at such sums as reasonably approximate expenses of Underwriting Agents generally under this form of agreement without contemplation of profit. In addition to such fair and reasonable compensation the Underwriting Agent shall receive reimbursement for out of pocket expenditures reasonably incurred, meaning payments to persons not regularly employed by the Underwriting Agent, but excluding payments to attorneys unless such employment has been authorized by the Administrator, provided however that all such expenditures shall be subject to the review of the Administrator and further provided that such expenditures shall not include any fee or other consideration paid to an insurance broker or other person acting in a similar intermediary capacity.

A statement of the compensation due to the Underwriting Agent (including reimbursement for out of pocket expenses as herein provided) shall be submitted by the Underwriting Agent to the Administrator monthly or at such other intervals as the Administrator may direct, with an appropriate voucher, and the amount of such compensation, if approved, shall be promptly paid to the Underwriting Agent.

4. In the discharge of the duties and obligations arising under this agreement, the Underwriting Agent shall conform to a standard of performance and accuracy reasonably to be expected of an insurance company in the administration of its own business, and consistent with the highest degree of good faith. It is agreed, however, that as the Underwriting Agent is acting without expectation of profit, it shall not be responsible for errors or omissions of agents and employees in whose selection and supervision it has exercised reasonable care, (other than willful misconduct on the part of the principal officers of said Underwriting Agents) excepting that the Underwriting Agent assumes full and complete responsibility for the disposition of any funds received by it or its employees or agents under and pursuant to this agreement. The exercise of reasonable care in the selection of agents by the Underwriting Agent shall be deemed to include a determination by the Underwriting

ing Agent that the agent so selected is experienced in the transaction of such phases of the marine insurance business as may be delegated to such agent by the Underwriting Agent. It is understood that the Underwriting Agent is or may be engaged in writing war risk insurance on hulls and cargoes for its own account, and it is agreed that it may write such insurance notwithstanding its operations on behalf of the Administrator.

5. All books, records and accounts covering the operations and activities under this agreement shall be kept separate from those relating to other business of the Underwriting Agent, in accordance with regulations made from time to time by the Administrator, and shall at all times be subject to inspection by the Administrator.

6. It is recognized that in the conduct of its operations and activities hereunder the Underwriting Agent shall act only as agent for the Administrator, who shall be the principal in connection with all such operations and activities. The Underwriting Agent shall have no authority other than as provided in this Agreement and in Memoranda of Instructions issued hereunder, and any unauthorized acts of said Underwriting Agent shall be null and void, and of no effect. It is agreed that the Administrator will issue to the Underwriting Agent a Certificate of Designation authorizing the Underwriting Agent to execute and issue war risk cargo policies of insurance in the name of the United States of America and to perform the other duties and functions provided for herein. It is further agreed, in view of the fact that the statutory power of the Administrator to write insurance is conditioned on the existence of certain facts of which the Underwriting Agent may have no knowledge or means of knowledge, that the Underwriting Agent may insert in all policies above its signature, a statement that it acts solely under the said Certificate of Designation and makes no warranty, either express or implied, of its own authority or the authority of the Administrator to sign or issue the said documents.

7. Notwithstanding the provisions of paragraph 3 hereof, in the event that the Underwriting Agent, after giving notice to the Administrator, shall be compelled to pay to any state, territory, or possession of the United States, or political subdivision thereof any tax or fee or interest or penalty relating thereto claimed to be due by reason of the business transacted pursuant to this agreement and which would not have been payable except for the operation of the Underwriting Agent hereunder, the Underwriting Agent shall be reimbursed by the Administrator therefor, and for any special expenses necessarily incurred in connection therewith. Moreover, if the Administrator shall reject any claim for loss under any policy of insurance issued pursuant to this agreement and if legal proceedings be instituted against the Underwriting Agent with respect to such claim, or if the Underwriting Agent shall be obligated to defend any legal suit or proceeding on account of its action in rejecting any application or failing to issue any policy or in canceling any policy, or in denying the payment of any return premium, the Administrator shall, upon due notice at his expense, defend such proceeding and if in any such proceeding the Underwriting Agent be compelled to make payment, the Administrator shall reimburse the Underwriting Agent for the amount thereof, provided always the action of the Underwriting Agent complained of shall have been consistent with the standard of performance required hereunder. In any of the foregoing cases, the Underwriting Agent shall render to the Administrator such reasonable cooperation and assistance as the Administrator may require.

8. This agreement shall take effect as of the date of its execution by the Administrator

and continue in force until terminated. It may be terminated, as of midnight on the last day of any calendar month by either party giving at least fifteen (15) days prior written notice to the other party by registered mail. Such termination shall not affect the obligation of the parties hereunder with respect to any insurance written or expenses incurred prior thereto.

9. Any act or thing herein required or permitted to be done hereunder by the Administrator may be done by such other official or officials of the War Shipping Administration as the Administrator may designate.

10. (a) The Underwriting Agent warrants that it has not employed any person to solicit or secure this agreement upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the United States the right to annul this agreement, or, in its discretion, to deduct from any amount payable hereunder the amount of such commission, percentage, brokerage, or contingent fee.

(b) In any act performed under this agreement the Underwriting Agent shall not discriminate against any citizen of the United States of America on the ground of race, creed, color or national origin.

11. No person elected or appointed a member of or delegate to Congress or a Resident Commissioner, directly or indirectly, himself or by any other person in trust for him, or for his use or benefit, or on his account shall hold or enjoy this agreement in whole or in part, except as provided in Section 206, Title 18, U.S.C. The Underwriting Agent shall not employ any member of Congress, either with or without compensation, as an attorney, agent, officer or director.

In witness whereof the parties hereto have duly executed this Agreement in triplicate as of the day and year first above written.

UNITED STATES OF AMERICA,
By (Sgd) E. S. LAND,
E. S. Land, Administrator,
War Shipping Administration.
By _____
For the Administrator

Attest:

I, _____, certify that I am the duly chosen, qualified, and acting Secretary of _____, a party to this Agreement, and, as such, I am the custodian of its official records and the minute books of its governing body; that _____ who signed this agreement on behalf of said corporation, was then the duly qualified _____ of said corporation; that said officer affixed his manual signature to said Agreement in his official capacity as said officer for and on behalf of said corporation by authority and direction of its governing body duly made and taken; that said Agreement is within the scope of the corporate and lawful powers of this corporation.

[CORPORATE SEAL]

(Where special action of the governing body is not immediately practicable, the following must be signed by the United States Manager, or by the Branch Manager or other similar executive who executes the Agreement.)

I, _____, certify that I am the _____ of _____ the party to this Agreement referred to therein as the Underwriting Agent; that I personally signed this Agreement on behalf of said corporation, under powers given to me by authority and direction of its governing body duly made and taken; that said Agreement is within the scope of the corporate and lawful powers of this corporation.

SUBPART B—HULL INSURANCE

§ 305.250 *Introductory.* War Shipping Administration is prepared to provide marine insurance against loss or damage to vessels caused by the risks of war in accordance with the terms of its hull war risk insurance policy hereinafter set forth in § 305.275. No such hull war risk insurance policy will be issued to any applicant for such insurance unless the vessel to be insured is either a United States flag vessel, or a vessel engaged in a voyage which brings or is intended to bring the vessel at least once in each round trip to a port in the continental United States, or in special circumstances to a port in the territories and possessions of the United States, or is engaged in a trade which is in the interest of the war effort or domestic economy of the United States as determined by the Administrator.

A hull war risk insurance rate schedule applicable to insurances of vessels confined to certain areas and trades is published in bulletin form by the War Shipping Administration and is available on request by properly interested parties; other rates for hull war risk insurances are available only by means of a request for quotation of an applicable rate submitted to War Shipping Administration, Division of Wartime Insurance.

§ 305.251 *Application.* Whenever an applicant for hull war risk insurance desires to obtain a quotation or to bind such insurance the applicant must provide War Shipping Administration, Division of Wartime Insurance at Room 4089 Commerce Building, Washington, D. C., with a statement in writing containing the following information:

(a) The name of the owner of the vessel, the name of the assured, the name of the vessel, and the flag thereof;

(b) The amount of insurance requested and the total value of the vessel for war risk insurance purposes;

(c) The trade of the vessel if such insurance is requested on a time basis; the voyage which will be involved if such insurance is requested on a trip basis;

(d) The exact sailing date of the vessel must not be given but it must be stated that the vessel is expected to sail within fifteen days.

(e) The deadweight tonnage based upon Old International Summer Scale (not emergency), and the speed in knots of the vessel.

(1) Any renewal of an unexpired time insurance is required to be submitted in the same manner as the original risk. The application for the renewal insurance must be submitted within ten days prior to the expiration of the original insurance unless otherwise agreed.

NOTE: Any request for a quotation or a binding made by telegraph must not contain any steamer name or any anticipated date of sailing. Such information to the extent required by the foregoing regulations should be forwarded by an Air-Mail letter and the envelope containing the letter should be marked "confidential".

§ 305.252 *Payment of premium and binding insurance.* The procedure set forth in §§ 305.3, 305.5, 305.6, 305.7, 305.8

and 305.15 hereof is deemed applicable for the guidance of assureds in placing this type of insurance and paying the premium therefor unless otherwise agreed.

§ 305.253 Warranties regulating the binding of hull war risk insurance. Any hull war risk insurance bound by the Division of Wartime Insurance will be subject to the current rules, regulations, conditions and policy forms prescribed by the Administration.

(a) Any hull war risk insurance will be subject to the "British Ship Warrant and United States of America Ship Warrant Warranty (1943)", whenever the same is applicable.

(b) Unless otherwise specifically agreed, all insurances shall be subject to the following warranty:

Warranted vessel safe in port at time of attachment of this insurance: *Provided however*, That any vessel excluded from coverage by application of this warranty will automatically attach hereunder as of the time of arrival of the vessel at the next port in good safety, warranted premium paid in accordance with rules and regulations and further warranted the insured value of the vessel reduced by amount of any loss or damage sustained between date of application and date of attachment of this insurance.

(1) This warranty does not apply to a renewal of time insurance, nor to insurance of vessels confined to continental United States inland waters.

§ 305.254 Valuation of vessels. Unless otherwise agreed vessels and equipment shall be valued by the War Shipping Administration, Division of Wartime Insurance for hull war risk insurance purposes in accordance with one of the following applicable methods:

(a) Ocean going vessels shall be valued in accordance with the provisions of General Orders Nos. 9 and 10 and supplements thereto, if any.

(b) Inland vessels, at the option of the assured, shall be valued:

(1) For the total insured value in the years 1938-1939 including hull and disbursements for marine insurance purposes; or,

(2) On a basis of construction cost less depreciation of 5% per year; but in the event that substantial improvements have been made to the vessel after the years 1938-1939, War Shipping Administration will give consideration to increasing the valuation of the vessel on the basis of the assured's request and statement of the improvements made; or,

(3) In cases where the vessel and equipment were uninsured during the years 1938-1939 and in cases where a valuation of a vessel on the basis of construction cost less depreciation of 5% a year produces an insured value unsatisfactory to an applicant the Administration will consider appraisals of the vessel and equipment made by an independent surveyor in order to agree upon an insured value of the vessel and equipment.

§ 305.255 Length of time for which hull war risk insurance will be granted. Hull war risk insurance on vessels may be obtained on a time or trip basis. Unless otherwise agreed, hull war risk insurance in respect to ocean-going vessels will be

granted either on a oneway or round trip voyage basis and in certain instances such insurance can be written for a period of time not longer than one calendar month unless otherwise specified; with respect to vessels confined to inland waters such insurance will be written for a period of time not longer than three calendar months unless otherwise specified.

(a) For computing periods of time the calendar month will be used.

(b) Any hull war risk insurance placed on a voyage basis is subject to the requirement that the vessel sail within fifteen (15) days of acceptance of the risk by War Shipping Administration, unless an extension is granted by War Shipping Administration and an additional premium paid, if required, or unless otherwise stipulated by the War Shipping Administration at time of quotation.

§ 305.266 War risk insurance on hull "premiums reducing". War Shipping Administration is prepared to provide marine insurance against loss or damage by the risks of war on hull "premiums reducing" for the total unearned amount of marine hull premium and/or marine hull disbursement premium and/or marine hull protection and indemnity premium for a period of not exceeding three months on American flag vessels and foreign registered vessels which have been time chartered to the War Shipping Administration.

(a) This insurance may be obtained by making application to the War Shipping Administration in the manner provided for the placing of hull war risk insurance, and by submitting a statement containing the following particulars:

(1) The name of the owner of the vessel, the assured in whose name the insurance is desired, the name of the vessel, and the flag thereof;

(2) A statement showing the attachment and expiration dates of the marine insurance policies, the total amount of annual marine insurance cash premium on those policies, the total amount of annual marine insurance cash premium less the total amount of marine insurance cash premium for the expired portion of the marine insurance policies figured on a pro rata daily basis to a date on which the assured desires the binder to attach, and the total amount of insurance desired.

(3) The trading limits of the vessel.

§ 305.267 Warranties applicable to war risk insurance on hull "premiums reducing". The binding of any war risk insurance on hull premium shall be subject to both of the following warranties:

1. Warranted vessel safe in port at time of attachment, or if at sea, then to attach automatically when vessel and/or vessels reach first safe port. Further warranted this insurance covers, *only* premiums reducing and only against risks of war in accordance with the policy.

2. In the event of loss, the amount collectible shall be only the actual unearned premium applicable to the Marine Hull,¹ Marine Hull Disbursement,¹ Marine Protection

¹ Whichever words are inapplicable shall be deleted.

and Indemnity,¹ policies covering the insured vessel, computed on a pro rata basis from date of attachment of said policies.

§ 305.275 Standard form of hull war risk insurance policy. The following is the standard form of hull war risk insurance policy:

UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

Expiration date, _____ No. H _____
Insured value, \$ _____ Date _____
Amount insured, \$ _____
Premium, \$ _____

By this policy of insurance does, in accordance with applicable provisions of law and subject to all limitations thereof, make insurance and cause to be insured, lost or not lost:

For account of _____ but subject to the provisions of this Policy with respect to change of ownership, Loss, if any, payable to _____

In the sum of _____ dollars, at and from the _____ day of _____ to the _____ day of _____ beginning and ending with _____ time. On the steamer called the _____ (or by whatsoever name or names the said Vessel is or shall be called).

Provided, however, should the Vessel at the expiration of this Policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination. Warranted as follows:

The said Vessel, for so much as concerns the Assured, by agreement between the Assured and Underwriters in this Policy, is and shall be valued at as follows: Hull, tackle, apparel, passenger fittings, equipment, stores, ordnance, munitions, boats, and other furniture _____ \$ _____
Boilers, machinery, refrigerating machinery and insulation, and everything connected therewith _____ \$ _____

Donkey boilers, winches, cranes, windlasses, steering gear, and electric light apparatus shall be deemed to be a part of the hull and not of the machinery.

The Underwriters to be paid in consideration of this insurance the premium of \$ _____, being at the rate of _____ percent.

In the event of nonpayment of premium 30 days after attachment this Policy may be canceled by the Underwriters upon 5 days written notice being given the Assured.

cents percent net for each uncommenced month if it be mutually agreed to cancel this Policy.
As follows for each consecutive 30 days the Vessel may be laid up in port, viz:
cents percent net under repair or outside the United States;
cents percent net in the United States with cargo on board and not under repair;
cents percent net in the United States not under repair, and with no cargo on board excepting while actually loading or discharging.

Provided always: (a) that in no case shall a return be allowed when the within-named Vessel is lying in a roadstead or in exposed and unprotected waters.

(b) that in the event of a return for special trade, or any other reason, being recoverable, the above rates of return of premium shall be reduced accordingly.

In the event of the vessel being laid up in port for a period of 30 consecutive days,

a part only of which attaches to this Policy, it is hereby agreed that the laying up period, in which either the commencing or ending date of this Policy falls, shall be deemed to run from the first day on which the Vessel is laid up and that on this basis Underwriters shall pay such proportion of the return due in respect of a full period of 30 days as the number of days attaching thereto bear to thirty.

Unless physically deleted by the Underwriters, the following warranty shall be paramount and shall supersede and nullify any contrary provision of the Policy:

F. C. & S. Clause: Notwithstanding anything to the contrary contained in the Policy, this insurance is warranted free from any claim for loss, damage, or expense caused by or resulting from capture, seizure, arrest, restraint, or detainment, or the consequences thereof or of any attempt therat, or any taking, of the Vessel, by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; also from all consequences of hostilities or warlike operations (whether there be a declaration of war or not), piracy, civil war, revolution, rebellion, or insurrection, or civil strife arising therefrom.

If war risks are hereafter insured by endorsement on the Policy, such endorsement shall supersede the above warranty only to the extent that their terms are inconsistent and only while such war risk endorsement remains in force.

This Policy is made and accepted subject to the foregoing stipulations and conditions and to the printed conditions on the following pages which are hereby specially referred to and made a part of this Policy, it being understood and agreed in the case of any conflict or inconsistency the foregoing shall prevail over those which follow.

In witness whereof, the War Shipping Administration has caused this Policy to be signed by the Administrator, but it shall not be valid unless countersigned by or on behalf of the Director of Wartime Insurance.

Countersigned at Washington, D. C. this _____ day of _____, 19____.

(Sgd.) E. S. LAND,
Administrator.

Director of Wartime Insurance.

New Ownership. Should the Vessel be sold or transferred to other ownership on chartered on a bareboat basis or requisitioned on that basis, then, unless the Underwriters agree thereto in writing, this Policy shall thereupon become canceled from date of such sale, transfer, charter, or requisition: *Provided however.* That in the case of an involuntary transfer by requisition or otherwise, without the prior execution of any written agreement by the Assured, such cancellation shall take place 15 days after such transfer; and *provided further* that if the Vessel has cargo on board and has already sailed from her loading port, or is at sea in ballast, such cancellation shall be suspended until arrival at final port of discharge if with cargo or at port of destination if in ballast. This insurance shall not inure to the benefit of any such charterer or transferee of the Vessel, and if a loss payable hereunder should occur during such period of 15 days the Underwriters shall be subrogated to all the rights of the Assured against the transferee, by reason of such transfer, in respect to all or part of such loss as is recoverable from the transferee and in the proportion which the respective amounts insured bear to the insured value. A prorata daily return of net premium shall be made. The foregoing provisions with respect to cancellation in the event of sale, transfer, charter, or requisition shall apply even in the case of insurance "For account of whom it may concern."

Beginning the adventure. Upon the said vessel, as above, and so shall continue and

endure during the period aforesaid, as employment may offer, in port and at sea, in docks and graving docks, and on ways, grid-irons, and pontoons, at all times, in all places, and on all occasions, services, and trades whatsoever and wheresoever, under steam, motor power, or sail; with leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but if without the approval of Assurers the Vessel be towed, except as is customary or when in need of assistance, or undertakes towage or salvage services under a prearranged contract made by Owners and/or Charterers, the Assured shall pay an additional premium if required by the Assurers, but no such premium shall be required for customary towage by the Vessel in connection with loading and discharging. With liberty to discharge, exchange and take on board goods, specie, passengers, and stores, wherever the Vessel may call at or proceed to, and with liberty to carry goods, live cattle, etc., on deck or otherwise. Including all risks of docking, undocking, changing docks, or moving in harbor and going on or off gridiron or graving dock as often as may be done during the currency of this Policy.

Notice of accident and survey. In the event of accident whereby loss or damage may result in a claim under this Policy, notice shall be given in writing to the Assurers, where practicable, prior to survey, so that they may appoint their own surveyor if they so desire. The Assurers shall be entitled to decide the port to which a damaged Vessel shall proceed for docking or repairing (the actual additional expense of the voyage arising from compliance with Assurers' requirements being refunded to the Assured) and Assurers shall also have a right of veto in connection with the place of repair or repairing firm proposed and whenever the extent of the damage is ascertainable the majority (in amount) of the Assurers may take or may require to be taken tenders for the repair of such damage.

In cases where a tender is accepted with the approval of Assurers, an allowance shall be made at the rate of 30 percent per annum on the insured value for each day or part thereof from the time of the completion of the survey until the acceptance of the tender, provided that it be accepted without delay after receipt of Assurers' approval.

No allowance shall be made for any time during which the Vessel is loading or discharging cargo or bunkering or taking in fuel.

Due credit shall be given against the allowance as above for any amount recovered—

(a) in respect of fuel and stores and wages and maintenance of the Master Officers and Crew, or any member thereof allowed in General or Particular Average;

(b) from third parties in respect of damages for detention and/or loss of profit and/or running expenses; for the period covered by the tender allowance or any part thereof.

In the event of failure to comply with the conditions of this clause 15 percent shall be deducted from the amount of the ascertained claim.

Disbursements warranty. Warranted that the amount insured for account of the Assured and/or their managers on Disbursements, Commissions, and/or similar interests, "policy proof of interest" or "full interest admitted" or on excess or increased value of Hull or Machinery, however described, shall not, except as indicated below, exceed 10 percent of the insured valuation of the Vessel, but the Assured may in addition thereto effect, "policy proof of interest" or "full interest admitted" insurance on any of the following interests:

(a) Premiums. Any amount not in excess of actual premiums for 12 months on all in-

terests of whatsoever nature insured (including estimated premium on any Protection and Indemnity Insurance), but in all cases reducing monthly by a proportionate amount of the whole, and

(b) Freight and/or Chartered Freight and/or Anticipated Freight and/or Earnings and/or Hire or Profits on Time Charter and/or Charter for series of voyages for any amount not exceeding in the aggregate 15 percent of the insured valuation of the Vessel; and if the actual amount at risk on any or all of such interests shall exceed such 15 percent of the insured valuation of the Vessel, the Assured and/or their managers may, without prejudice to this warranty, insure whilst at risk the excess of such interests reducing as earned, and

(c) Risks excluded by the "F. C. & S. Clause," and

(d) Loss or damage in consequence of strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military, or usurped power or malicious act.

Provided always that a breach of this warranty shall not afford the Assurers any defense to a claim by mortgagees or other third parties who may have accepted this Policy without notice of such breach of warranty nor shall it restrict the right of the Assured and/or their managers to insure in addition General Average and/or Salvage Disbursements whilst at risk.

Breach of warranty. Held covered in case of any breach of warranty as to cargo, trade, locality, or date of sailing, provided notice be given and any additional premium required be agreed immediately after receipt of advices of breach or proposed breach by Owners.

Adventures and perils. Touching the Adventures and Perils which the Assurers are content to bear and take upon themselves, they are of the Seas, Men-of-War, Fire, Enemies, Pirates, Rovers, Thieves, Jettisons, Letters of Mart and Counter-Mart, Surprisals, Takings at Sea, Arrests, Restraints, and Detainments of all Kings, Princes, and Peoples, of what nation, condition, or quality soever, Barratry of the Master and Mariners and of all other like Perils, Losses, and Misfortunes that have or shall come to the Hurt, Detriment, or Damage of the said Ship, etc., or any part thereof; excepting, however, such of the foregoing perils as may be excluded by provisions elsewhere in the Policy or by endorsement.

Sue and labor. And in case of any Loss or Misfortune, it shall be Lawful for the Assured, their Factors, Servants, and Assigns, to sue, labor, and travel for, in, and about the Defense, Safeguard, and Recovery of the said Vessel, etc., or any part thereof, without prejudice to this insurance, to the Charges whereof the Assurers will contribute their proportion as provided below. And it is expressly declared and agreed that no acts of the Assurers or Assured in recovering, saving, or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

Latent defect and negligence. This Insurance also specially to cover (subject to the Average Warranty) loss of or damage to hull or machinery directly caused by the following: Accidents in loading, discharging or handling cargo, or in bunkering or in taking in fuel; Explosions on shipboard or elsewhere; Bursting of boilers, breakage of shafts or any latent defect in the machinery or hull (excluding, however, the cost and expense of repairing or renewing the defective part); Contact with Aircraft; Negligence of Master, Charterers, Mariners, Engineers, or Pilots; provided such loss or damage has not resulted from want of due diligence by the Owners of the Vessel, or any of them, or by the Managers. Masters, Mates, Engineers, Pilots, or Crew not to be considered as part owners within the meaning of this clause should they hold shares in the vessel.

Sister-ship salvage. And it is further agreed that in the event of salvage, towage or other assistance being rendered to the Vessel hereby insured by any vessel belonging in part or in whole to the same Owners or Charterers, the value of such services (without regard to the common ownership or control of the Vessels) shall be ascertained by arbitration in the manner below provided for under the Collision Clause, and the amount so awarded so far as applicable to the interest hereby insured shall constitute a charge under this Policy.

General average. General Average, Salvage, and Special Charges payable as provided in the contract of affreightment, or failing such provision, or there be no contract of affreightment, payable in accordance with the Law and Usages of the Port of New York. *Provided always.* That when an adjustment according to the laws and usages of the port of destination is properly demanded by the owners of the cargo, General Average shall be paid in accordance with same.

G. A. and S. liability. When the contributory value of the Vessel is greater than the valuation herein, the liability of the Assurers for General Average contribution (except in respect to amount made good to the Vessel) or Salvage shall not exceed that proportion of the total contribution due from the Vessel that the amount insured hereunder bears to the contributory value; and if because of damage for which the Assurers are liable as Particular Average the value of the Vessel has been reduced for the purpose of contribution, the amount of the Particular Average claim under this policy shall be deducted from the amount insured hereunder and the Assurers shall be liable only for the proportion which such net amount bears to the contributory value.

S. S. C. and S. and L. Liability. In the event of expenditure for Salvage, Salvage Charges, or under the Sue and Labor Clause, this Policy shall only be liable for its share of such proportion of the amount chargeable to the property hereby insured as the insured value, less loss and/or damage, if any, for which the Assurers are liable, bears to the value of the salved property. *Provided,* That where there are no proceeds or there are expenses in excess of the proceeds, the expenses, or the excess of the expenses, as the case may be, shall be apportioned upon the basis of the sound value of the property at the time of the accident and this policy without any deduction for loss and/or damage shall bear its pro rata share of such expenses or excess of expenses accordingly.

Average warranty. Notwithstanding anything herein contained to the contrary, this Policy is warranted free from Particular Average under 3 percent, or unless amounting to \$4,850; but nevertheless when the Vessel shall have been stranded, sunk, on fire, or in collision with any other Ship or Vessel, the Assurers shall pay the damage occasioned thereby, and the expense of sighting the bottom after stranding shall be paid, if reasonably incurred, even if no damage be found.

Grounding in the Panama Canal, Suez Canal, or in the Manchester Ship Canal or its connections, or in the River Mersey above Rock Ferry Slip, or in the River Plate (above a line drawn from the North Basin, Buenos Aires, to the mouth of the San Pedro River) or its tributaries, or in the Danube or Demerara Rivers, or on the Yenikale Bar, shall not be deemed to be a stranding.

Average payable on each valuation separately or on the whole, without deduction of thirds, new for old, whether the Average be Particular or General.

No claim shall in any case be allowed in respect of scraping or painting the Vessel's bottom.

Voyage. The Warranty and conditions as to Average under 3 percent to be applicable to each voyage as if separately insured, and

a voyage shall be deemed to commence at one of the following periods to be selected by the Assured when making up the claim, viz.: at any time at which the Vessel (1) begins to load cargo or (2) sails in ballast to a loading port. Such voyage shall be deemed to continue during the ensuing period until either she has made one outward and one homeward passage (including an intermediate ballast passage, if made) or has carried and discharged two cargoes, whichever may first happen, and further, in either case, until she begins to load a subsequent cargo or sails in ballast for a loading port. When the Vessel sails in ballast to effect damage repair such sailing shall not be deemed to be a sailing for a loading port although she loads at the repairing port. In calculating the 3 percent above referred to, Particular Average occurring outside the period covered by this Policy may be added to Particular Average occurring within such period provided it occur upon the same voyage (as above defined), but only that portion of the claim arising within such period shall be recoverable hereon. The commencement of a voyage shall not be so fixed as to overlap another voyage on which claim is made on this or the preceding policy.

Constructive total loss. No recovery for a Constructive Total Loss shall be had hereunder unless the expense of recovering and repairing the Vessel shall exceed the insured value.

In ascertaining whether the Vessel is a Constructive Total Loss, the insured value shall be taken as the repaired value, and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.

In the event of Total or Constructive Total Loss, no claim to be made by the Assurers for freight, whether notice of abandonment has been given or not.

Unrepaired damage. In no case shall the Assurers be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the term covered by this Policy.

Full collision. And it is further agreed that if the Vessel hereby insured shall come into collision with any other ship or vessel and the Owners or Charterers in consequence thereof or the Surety for either or both of them in consequence of their undertaking shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of such collision, the Assurers will pay the Owners or Charterers such proportion of such sum or sums so paid as the Assurers' subscription hereto bears to the value of the Vessel hereby insured, provided always that their liability in respect of any one such collision shall not exceed their proportionate part of the value of the Vessel hereby insured. And in cases where the liability of the Vessel has been contested, or proceedings have been taken to limit liability, with the consent in writing of a majority (in amount) of the Underwriters on the hull and/or machinery, the Assurers will also pay a like proportion of the costs which the Owners or Charterers shall thereby incur, or be compelled to pay; but when both Vessels are to blame, then, unless the liability of the Owners or Charterers of one or both of such vessels becomes limited by law, claims under the Collision Clause shall be settled on the principle of Cross-Liabilities as if the Owners or Charterers of each Vessel had been compelled to pay to the Owners or Charterers of the other of such Vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Owners or Charterers in consequence of such collision.

Sister ship collision. And it is further agreed that the principles involved in this

clause shall apply to the case where both Vessels are the property, in part or in whole, of the same Owners or Charterers, all questions of responsibility and amount of liability as between the two Vessels being left to the decision of a single Arbitrator, if the parties can agree upon a single Arbitrator, or failing such agreement, to the decision of Arbitrators, one to be appointed by the Managing Owners or Charterers of both Vessels, and one to be appointed by the majority (in amount) of Hull Underwriters interested; the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single, or of any two of such three Arbitrators, appointed as above, to be final and binding: *Provided always,* That this clause shall in no case extend to any sum which the Owners or Charterers may become liable to pay or shall pay for removal of obstructions under statutory powers for injury to harbors, wharves, piers, stages and similar structures, consequent on such collision, or in respect of the cargo or engagements of the Insured Vessel, or for loss of life, or personal injury: *And provided also,* That in the event of any claim being made by the Charterers under this clause they shall not be entitled to recover in respect of any liability to which the Owners of the Vessel, if interested in this policy at the time of the Collision in question, would not be subject nor to a greater extent than the Shipowners would be entitled in such event to recover.

BRITISH SHIP WARRANT AND UNITED STATES OF AMERICA SHIP WARRANT WARRANTY (1943)

Endorsement to be attached to and made part of Policy No. _____

Warranted that, if the insured vessel is not an excepted vessel and is of other than British (excluding Eire), Belgian, Dutch, Fighting French, Greek Norwegian, Polish, Russian, Swedish or United States of America flag, the Owner(s) throughout the full period named in this policy in the case of any vessel of 50 gross register tons or over hereby insured is in possession of a British Ship Warrant.

It is further warranted that, if the insured vessel is not an excepted vessel and is

1. under the United States of America flag; or owned by a citizen or citizens of or by a corporation registered in the United States or

2. trading to or from ports in the United States of America (including the Philippine Islands and other United States of America territories and possessions),

then, so long as the vessel remains under such flag or so owned or so trading, the Owner(s) or bare-boat, time or other charterer(s) of any vessel of 50 gross register tons or over hereby insured is in possession of a United States of America Ship Warrant.

Provided, That this Further Warranty shall not apply in respect of any vessel whilst employed exclusively as a tugboat, towboat, salvage vessel, pilot vessel, fishing vessel or cableship.

Provided also, That neither the foregoing Warranty nor the Further Warranty shall apply if the insured vessel is—

- (1) trading exclusively—
- (a) on rivers or inland waters;
- (b) between ports of the continental United States of America; or
- (c) between ports in a territory or possession of the United States of America;
- (2) customarily employed within the limits of a port of—
- (a) North, South or Central America; or
- (b) any territory or possession of the United States of America;
- (3) a dredger.

In the foregoing Warranty and Further Warranty the expression "excepted vessel" means a vessel which is—

- (a) chartered to or requisitioned by the British Minister of War Transport or by the

Government of any part of the British Commonwealth of Nations (excluding Eire);

(b) owned by or registered in the name of His Britannic Majesty;

(c) chartered to a national of the British Commonwealth of Nations (excluding Eire);

(d) certified by the British Minister of War Transport to be a vessel in respect of which His Majesty's Government in the United Kingdom is under an obligation assumed before the 26th January, 1942 towards any other Government or agency thereof or any national shipowners' Committee to make British facilities, including insurance, available;

(e) owned by the United States of America;

(f) owned by a citizen or citizens of or by a corporation registered in the United States of America and certified by the War Shipping Administration of the United States of America to be entitled to the benefits with respect to insurance of a Ship Warrant holder;

(g) chartered to the War Shipping Administration of the United States of America;

(h) requisitioned by or under the laws of the United States of America.

Effect of breach of warranty: Any breach of the Foregoing Warranty or Further Warranty shall automatically avoid this policy from the date of breach unless the British Minister of War Transport with respect to breaches of the Foregoing Warranty or the War Shipping Administration of the United States of America with respect to breaches of the Further Warranty certifies whether before or after any such breach that such breach is excused.

Where more than one vessel is insured under this policy the singular shall include the plural: *Provided*, That a breach of the Foregoing Warranty or Further Warranty in respect of one vessel insured hereunder shall not avoid this policy in respect of any other vessels insured hereunder in respect of which no breach has been committed.

WAR RISK CLAUSES

Endorsement to be attached to and be made a part of Policy No. -----

It is agreed that this insurance covers only those risks which would be covered by the attached policy (including the Collision Clause) in the absence of the F. C. & S. warranty contained therein but which are excluded by that warranty.

This insurance is also subject, however, to the following warranties and additional clauses:

The Adventures and Perils Clauses shall be construed as including the risks of piracy, civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, floating and/or stationary mines and/or torpedoes whether derelict or not, and/or military or naval aircraft and/or other engines of war including missiles from the land, and warlike operations and the enforcement of sanctions by members of the League of Nations, whether before or after declaration of war and whether by a belligerent or otherwise; but excluding arrest, restraint, or detention under customs or quarantine regulations, and similar arrests, restraints, or detentions not arising from actual or impending hostilities or sanctions.

If the vessels be insured under marine policies which include the risks of pirates, claims arising from piracy shall nevertheless be paid under this policy and the underwriters hereof shall have no right to contribution from the underwriters of such marine policies it being understood that as between the two sets of policies losses due to piracy are payable under marine policies only to the extent that such losses are not collectible under the war risk policies.

The Franchise warranty in the attached policy is waived and average shall be payable irrespective of percentage and without deduction of new for old. The provisions of the attached policy with respect to constructive

total loss shall apply only to claims arising from physical damage to the insured vessel.

Warranted free of any claim for delay or demurrage and warranted not to abandon in case of capture, seizure, or detention, until after condemnation of the property insured. Also warranted not to abandon in case of blockade and free from any claims for loss or expense in consequence of blockade or of any attempt to evade blockade, but in the event of blockade to be at liberty to proceed to an open port and there end the voyage.

Warranted free of any claim based upon loss of or frustration of the insured voyage or adventure caused by arrests, restraints, or detentions, of kings, princess, or peoples.

Warranted free from any claim arising from capture, seizure, arrests, restraints, detention, condemnation, preemption, or confiscation by the Government of the United States of America or any State or political subdivision thereof or any government which is or may become party signatory of the "United Nations Pact," promulgated on or about January 2, 1942.

Warranted:

(A) No War Risk Insurance in excess of the value as shown hereon whether for hull, machinery, disbursements, or other similar interests however described, exists or will be placed during the currency of this insurance.

(B) Vessel herein described shall sail within 15 days from the expected date of sailing as set forth in this policy, unless this period is extended by the War Shipping Administration.

(C) Any additional premium required by the terms of the policy shall be paid on demand.

(D) No cancellation except by mutual consent.

It is understood and agreed that this policy shall pay its proportion (namely, the proportion which the amount hereby insured bears to the valuation stated herein) of any General Average or salvage charges due from the vessel, notwithstanding the vessel's contribution thereto may have been based on a contributory value in excess of the valuation stated herein; and this policy shall pay the same proportion of any sue and labor expenses chargeable to the property hereby insured: *Provided, nevertheless*, That the amount payable in respect of any such charges or all combined, in respect of any one disaster, shall in no event exceed the amount hereby insured.

"The Breach of Warranty" clause in the printed policy is deleted and the following clause substituted therefor:

"Held covered in the event of any breach of warranty as to date of sailing, or deviation, or change of voyage, or other variation of the voyage, provided prompt notice be given these Insurers when such facts are known to the Assured and/or their Managers and an additional premium paid if required."

This insurance also covers damage to or destruction of the property insured directly caused by strikers, locked out workmen, or persons taking part in labor disturbances or riots or civil commotions including damage caused by persons acting maliciously, but this paragraph shall not be construed to include or cover any loss, damage, or expense caused by or resulting from (a) civil war, revolution, rebellion, or insurrection, or civil strife arising therefrom, or (b) delay, detention, or loss of use.

This insurance is subject to the provisions of the Ship Warrant Warranty attached.

SUBPART C—CREW INSURANCE

§ 305.300 General. War Shipping Administration is prepared to provide war risk life and accident insurance covering masters, officers, and crews of vessels, war risk crew effects insurance on the personal effects of such persons, and

war risk crew wages insurance on the wages of such persons in accordance with the applicable decisions of the Maritime War Emergency Board in cases where its rulings are effective and otherwise as agreed, any of such insurances being provided on the form of policy or policies of insurance consistent with said decisions of the Maritime War Emergency Board; and is also prepared to provide "individual" war risk life insurance covering masters, officers and crews of vessels, such insurance being provided on the form of policy set forth in § 305.315; but no such insurances will be granted unless the vessel on which such persons are employed is either a United States flag vessel, or a vessel engaged in a voyage which brings or is intended to bring the vessel at least once in each round trip to a port in the continental United States, or in special circumstances to a port in the territories and possessions of the United States, or is a vessel engaged in a trade which is in the interests of the war effort or the domestic economy of the United States as determined by the Administrator.

Rates for crew insurances are available by means of a request for an applicable rate submitted to the War Shipping Administration, Division of Wartime Insurance.

§ 305.301 Application. Whenever an applicant for crew war risk insurances (other than "individual" war risk life insurance) desires to obtain a quotation or to bind such insurance the applicant must provide the War Shipping Administration, Division of Wartime Insurance, at Room 4089, Commerce Building Washington, D. C., with a statement in writing containing the following information:

(a) The name of the vessel on which the master, officers and crew are employed.

(b) The flag of the vessel.

(c) The name of the owners of the vessel.

(d) The time for which the insurance is to be written and the trade and the voyage of the vessel.

(e) The exact sailing date of the vessel must not be given but it must be stated that the vessel is expected to sail within fifteen days.

(f) Whenever war risk crew life and accident insurance is applied for, the total number of persons, including master, officers and crew, and the total amount of insurance.

(g) Whenever war risk crew effects insurance is applied for, the total sum of money for which the personal effects of the master, officers and crew is to be insured.

(h) Whenever war risk crew wages insurance is applied for, the total sum of the annual payroll and the total amount of war risk crew wages insurance desired to cover the owners' liability for wages and emergency wages during repatriation or detention.

NOTE: Any request for a quotation or a binding made by telegraph must not contain any steamer name or any anticipated date of sailing. Such information to the extent required by the foregoing regulations should

be forwarded by Air-Mail letter; the envelope containing the letter should be marked "confidential".

§ 305.302 Payment of premium and binding insurance. The procedure set forth in §§ 305.3, 305.5, 305.6, 305.7, 305.8 and 305.15 hereof is deemed applicable for the guidance of assureds in placing this type of insurance and paying the premium therefor unless otherwise specified at the time of binding.

§ 305.303 Rules applicable to crew war risk insurance. (a) The length of time for which the type of crew war risk insurance specified in § 305.300 (except "individual" war risk life insurance) will be written, is for a period of time not longer than one month or for a round-trip voyage.

(b) Subject to the limits of insurance requested by the assured in each case, war risk insurance on crew interests will be in accordance with the decisions of the Maritime War Emergency Board in effect at the time of binding of the risks, if applicable.

§ 305.304 Crew individual war risk life insurance. Masters, officers and members of the crew of United States flag vessels may obtain amounts of war risk life insurance covering against only the loss of life, unless otherwise agreed.

(a) Such insurance will be written for any amount not less than \$1,000 and for any multiple of \$1,000 not exceeding \$15,000 per any one individual.

(b) Such insurance will be written for a period of time not shorter than one month and not longer than six months, at the option of the assured.

(1) For computing the period of time, the calendar month will be used.

§ 305.305 Application for crew individual war risk life insurance. Masters, officers and members of the crew desiring "individual" war risk life insurance in excess of the protection provided by an employer should make application therefor through the steamship line by which they are employed and the War Shipping Administration, Division of Wartime Insurance, on application on their behalf from the steamship line, will bind individual war risk life insurance.

(a) The application should be made by using the form of application set forth in § 305.307 properly filled out.

(1) If the application is made through the steamship line the applicant should fill out an original and one copy of the binder set forth in § 305.307 and should date and sign the original and one copy of the binder in the presence of a person who is authorized by paragraph 8 of the binder to witness the signature. The applicant should attach to the original binder a cashier's check or certified check or money order for the full amount of the premium as required by paragraph 9 of the binder. Thereafter, the person who has witnessed the signature of the assured should mail the original binder together with the check or money order to War Shipping Administration, Division of Wartime Insurance, Room 4089, Commerce Building, Washington,

D. C., as specified in paragraph 8 of the binder, and the copy thereof should be mailed to War Shipping Administration, Division of Wartime Insurance, 99 John Street, New York City.

(2) If application through the steamship line is not practicable, the assured should fill out the original and one copy of the binder, have both properly witnessed, and mail the original together with the cashier's check or certified check or money order for the full amount of the premium to the War Shipping Administration, Division of Wartime Insurance, Room 4089, Commerce Building, Washington, D. C., and mail the copy to War Shipping Administration, Division of Wartime Insurance, 99 John Street, New York City.

(3) In cases of necessity where the lack of time prevents a seaman from obtaining a certified check or cashier's check or money order, War Shipping Administration, Division of Wartime Insurance, will accept a seaman's check which has been endorsed by the steamship line.

NOTE: Crew "individual" war risk life insurance does not include injury, disability, illness and covers only loss of life, unless otherwise agreed.

§ 305.306 Renewal of individual war risk life insurance. Whenever the assured is at sea during the fifteen (15) day period prior to the expiration date of an "individual" war risk life insurance policy, an extension thereof may be arranged on his behalf by either the agent or operator of the vessel or by the beneficiary of the policy by the payment of additional premium to War Shipping Administration, Division of Wartime Insurance, Washington, D. C., by cashier's check, certified check, or money order, prior to the expiration of said fifteen (15) day period.

§ 305.307 Form of application. The following form of application may be typewritten, printed or mimeographed.

UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

Crew Life War Risk Individual Insurance Application

Application is hereby made to War Shipping Administration, Division of Wartime Insurance for the issuance of a "Crew Life War Risk Individual Insurance" policy in the amount of _____ (\$_____) Dollars.

1. The name of the Assured is _____
2. The Assured's address is _____
3. The Assured is employed by _____
4. The Assured will be aboard the _____

(Name)

as _____ of Vessel or Steamship Line) (Rating)

5. This insurance to cover for _____ months commencing the _____ day of _____, 19____.

6. If the Assured desires to name a beneficiary other than those named by him under the "Second Seamen's Policy" the following should be filled in:

(Name of Beneficiary) (Address of Beneficiary)

(Relationship to Assured)

If no beneficiary is named above or if the beneficiary named above is not living to receive payment, payment of this insurance will be made to the person or persons to whom payment is made under the "Second Seamen's War Risk Insurance Policy" cover-

ing the life of the Assured as therein provided. If no beneficiary of any policy issued pursuant to this application or no beneficiary of the "Second Seamen's War Risk Insurance Policy" is alive to receive payment, the payment of this insurance will be made to the Estate of the Assured.

7. Warranted the vessel on which the Assured is to be employed is a United States flag vessel or is owned by or under charter to the War Shipping Administration; unless otherwise agreed.

8. The original and one copy of this application must be signed by the Assured and the signature of the Assured must be witnessed by either an officer of the vessel, or a shipping commissioner, or a representative of the steamship line which employs the Assured, and both the original and one copy, duly executed must be filed with the steamship line as of the date of the signature by the Assured for transmission by the steamship line to the War Shipping Administration. The original must be mailed to War Shipping Administration, Division of Wartime Insurance, Room 4089 Commerce Building, Washington, D. C. The copy must be mailed to the War Shipping Administration, Division of Wartime Insurance, 99 John Street, New York City.

9. This application shall not become effective unless the original thereof is received by the War Shipping Administration as provided in paragraph 8 together with a cashier's check or certified check or money order (or in cases of necessity owing to lack of time a seaman's check endorsed by the steamship line) for the payment of premium not later than 15 days from the date of the execution of this application, but the Administrator may at any time in his sole discretion modify this requirement in whole or in part.

Dated the _____ day of _____, 19____.
Make check payable to War Shipping Administration.

Signature of the Assured

Witnessed by:

(Official Position)

Send Policy to:

Name _____ Address _____
If no direction is given Policy will be held by War Shipping Administration until directions are given.

If the Assured is at sea during the fifteen (15) day period prior to the expiration date of a policy issued on this application an extension of the policy may be arranged on behalf of the Assured by the agent or operator of the vessel or by any beneficiary, by payment of additional premium to War Shipping Administration, Division of Wartime Insurance, Washington, D. C., by cashier's check, certified check, or money order prior to the expiration of said fifteen day period.

§ 305.315 Standard form of crew life war risk individual insurance policy.

UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

Crew Life War Risk Individual Insurance Policy

By this policy of insurance War Shipping Administration hereby insures _____, the Assured, for a period of time commencing the _____ day of _____, 19____, and ending the _____ day of _____, 19____, in the amount of _____ (\$_____) Dollars, only against the loss of life of the Assured from the perils and causes stated in "Article 3" of the "Second Seamen's War Risk Insurance Policy," as promulgated in

Decision 1 A of the Maritime War Emergency Board dated January 28, 1943.

1. The following articles of the "Second Seamen's War Risk Insurance Policy" insofar as they relate to loss of life are included herein and are deemed to be a part hereof: (1) "Article 3", (2) "Articles 4 and 5" but the period of time described in said articles shall not be construed to extend coverage hereunder beyond the period of time expressly stated above, (3) "Article 6", (4) "Article 7", (5) "Article 8", (6) "Article 9", (7) "Article 10", (8) "Article 11", (9) "Article 13", (10) "Article 18", (11) "Article 19", (12) "Article 20", (13) "Article 22", and (14) "Article 24".

2. Any language of any of said Articles enumerated in paragraph (1) hereof which is contrary to or inconsistent with the purposes of this policy, namely, to provide war risk life insurance limited to loss of life, is not to be considered a part hereof and is deemed deleted.

3. Notwithstanding any language to a contrary effect in any of said Articles enumerated in paragraph (1) hereof, the Assured may designate any one or more persons as beneficiary or beneficiaries of this insurance whether or not such person or persons are within the class of beneficiaries for whom the Assured is permitted to make provision by the "Second Seamen's War Risk Insurance Policy."

4. If no beneficiary is named in the application for this policy or if any beneficiary named in the application is not alive to receive payment, payment of this insurance will be made to the person or persons to whom payment is made under the "Second Seamen's War Risk Insurance Policy" covering the life of the Assured as therein provided. If no beneficiary of this policy or no beneficiary of the "Second Seamen's War Risk Insurance Policy" is alive to receive payment, the payment of this insurance will be made to the Estate of the Assured.

5. Warranted the vessel on which the Assured is to be employed is a United States flag vessel or is owned by or under charter to the War Shipping Administration.

This policy is issued by the Administrator but it shall not be valid unless countersigned by or on behalf of the Director of Wartime Insurance.

(Sgd.) E. S. LAND

E. S. Land
Administrator.

Countersigned this _____ day of _____, 19____.

By: _____
Director of Wartime Insurance.

NOTE: If the Assured is at sea during the fifteen (15) day period prior to expiration date of this policy, an extension of this policy may be arranged by payment of additional premium to War Shipping Administration, Division of Wartime Insurance, Commerce Building, Washington, D. C. by cashier's check or certified check or money order prior to the expiration date.

SUBPART D—WAR RISK LIFE INSURANCE FOR FISHERMEN ON AMERICAN OWNED VESSELS

§ 305.400 *General.* War Shipping Administration is prepared to provide war risk life insurance for fishermen on American owned vessels.

§ 305.401 *Application.* Application for war risk life insurance for fishermen should be made by letter or telegram sent

to War Shipping Administration, Division of Wartime Insurance, at Room 4089 Commerce Building, Washington, D. C.

(a) The application should be made by either a fishermen's association, or a fishermen's union, or a vessel Owner's association, or other similar organization, or vessel owner, or in an instance where an individual fisherman is for reasons satisfactory to the War Shipping Administration precluded from obtaining such insurance unless such fisherman makes an individual application, then the individual fisherman may apply.

§ 305.402 *Amount limit of insurance.* Any one individual must be insured for an amount at least equal to one thousand (\$1,000) dollars or equal multiples thereof, and for not more than five thousand (\$5,000) dollars.

§ 305.403 *Time limit of insurance.* The period of time for which any one or more individuals may receive coverage provided by such insurance must be not shorter than one month and not longer than four months.

(a) For computing periods of time the calendar month will be used.

§ 305.404 *Conditions of the insurance.* War Shipping Administration requires the payment of the entire premium prior to the attachment of any risk. It also requires the individuals specified as insured to be safe in port before the policy can be made effective, except that on a renewal of an existing policy effected not later than the termination of the existing policy the requirement of the specified individuals being in safe port does not apply, so long as there are no additional specified individuals in the renewal policy.

§ 305.405 *Classification for rate purposes.* For rating purposes classification shall be determined by operations scope, as either inshore or offshore:

(a) Inshore fisheries shall be deemed to include all operations confined to territorial waters of the continental United States (excluding Alaska) and all operations where the normal absence of the boat from a port in the continental United States (excluding Alaska) is not in excess of five (5) days.

(b) Offshore operations shall include all other operations based upon the continental United States (including Alaska) and the territories and possessions of the United States.

§ 305.406 *Placing of insurance and payment of premium.* The procedure set forth in §§ 305.3, 305.5, 305.6, 305.7, 305.8 and 305.15 hereof is deemed applicable for the guidance of assureds in placing this type of insurance and paying the premium therefor.

§ 305.407 *Types of policy.* Policies of insurance will be issued either to groups of individuals, group policy basis on the form set forth in § 305.409 or to vessel

owners covering all personnel aboard the named vessels, blanket form of policy as set forth in § 305.410.

(a) When insurance is required on group policy basis the names of the insured individual fishermen are required to appear in the addendum attached to the policy.

(1) Two copies of the addendum must be prepared by the applicant for the insurance, and one copy thereof must be attached to the certified check or cashier's check or money order tendered in payment of premium, and the other copy thereof must be filed with the War Shipping Administration, Division of Wartime Insurance.

(b) There must be set forth in the addendum:

1. The fisherman's name.
2. The fisherman's address.
3. The name of the vessel.
4. The type of fishing operation (i. e. inshore or offshore) or a statement of the limits of the fishing operations.
5. The time for which the insurance is to be written.
6. The amount of the insurance.
7. The amount of premium.
8. The name of the designated beneficiary.
9. The address of the designated beneficiary.

(c) When insurance is required on a blanket form of policy, the applicant should state:

1. Name of the assured.
2. Name of vessel.
3. The type of fishing operation (i. e. inshore or offshore) or a statement of the limits of the fishing operations.
4. The time for which the insurance is to be written.
5. The amount of insurance.

(d) Each fisherman insured under the blanket form of policy should prepare a statement prior to sailing, designating the beneficiary and should file the statement with the owner or officer of the vessel, or the duly authorized officer or agent thereof.

(1) The owner or officer of the vessel or duly authorized officer or agent thereof is required to make an accurate crew list which must be kept on shore and which must be witnessed by a person not on the same voyage. It is contemplated under this insurance that prior to departure from shore there will have been filed with the United States Coast Guard for the purposes of information only a crew list stating the names of the fishermen on board the vessel and a brief description of each individual.

(2) The blanket form of policy will contain a warranty to the effect that the assured shall maintain war risk insurance on fishermen's lives for the maximum number of men on board the vessel during the currency of the policy.

§ 305.408 *Form of addendum.* The following is the form of addendum required to be attached to fishermen's life war risk insurance policy issued on group policy basis.

Addendum No. _____ to policy No. _____ Issued to _____

Fisherman	Address	Vessel	Inshore or off-shore	Term of insurance		Amount	Premium	Beneficiary	Address
				From	To				

§ 305.409. Form of life and dismemberment fishermen policy (individual).

Life & Dismemberment

Fishermen Policy # _____

UNITED STATES OF AMERICA

The War Shipping Administration by this policy of insurance hereby insures _____

for account of the fishermen listed in addenda to this policy, for losses incurred during fishing operations of the American owned vessels listed in said addenda within the period of time set forth in said addenda.

I. Against loss of life and bodily injury to said fishermen directly caused by or directly consequent upon the capture of or attack upon said fishermen or said vessels by an enemy of the United Nations, or directly caused by countermeasures taken by the United Nations against such enemy or enemies. The term United Nations shall be deemed to include any Nation signatory to the United Nations Pact executed on or about January 2, 1942.

II. In the event of death or injury covered by the terms of this policy each fisherman shall be covered in the amount set forth opposite his name in the addenda attached hereto and the War Shipping Administration will pay an amount to be determined by applying the percentage shown below to said amount:

Loss of:	
Life	100%
Both hands	100%
Both arms	100%
Both feet	100%
Both legs	100%
Both eyes	100%
Hand	50%
Arm	65%
Foot	50%
Leg	65%
Eye	45%
Total destruction of hearing	50%

The indemnities referred to above are payable, provided loss results directly and exclusively from bodily injuries: *Provided, however,* that such loss shall have occurred within 90 days of the date of accident except when such loss is preceded by a period of total disability commenced, or by previous loss hereunder sustained, within such 90-day period. Loss shall mean, with regard to hands and feet, arms and legs, dismemberment by severance at or above wrist or ankle, knee or elbow joints, or the complete and irrecoverable loss of function; with regard to eyes, complete and irrecoverable loss of sight; with regard to hearing, total and irrecoverable loss of hearing in both ears.

For accidental bodily injury not described in the foregoing schedule which, within 90 days from date of accident from a cause hereinbefore set forth, results in total disability and which necessarily and continuously prevents the person injured from performing any

and every kind of duty pertaining to such person's occupation, the War Shipping Administration will pay compensation in monthly installments at the rate of 2% of the principal sum, beginning with the date of return to a port within the Continental United States, during such time thereafter as the total disability persists or until such time as the total of compensation, so paid, shall amount to the principal sum provided for the injured person in the attached addenda. This insurance, however, does not cover illness or disease of any kind (except pyogenic infections which shall occur through an accidental cut or wound) nor any disability due to or arising from mental and/or nervous disorders. Nothing herein shall be construed to cover claims by any member of the vessel's personnel arising from his own willful misconduct.

III. All payments for bodily injury, provided by this policy, will be made to the injured fisherman. All payments for death provided for in this policy will be paid to the beneficiary listed in the addenda attached hereto; in the event that no beneficiary is named in the attached addenda, but the fisherman shall have within the Continental United States or its territories one or more persons of a degree of relationship herein-after set forth, such payment shall be made to such person or persons as follows:

(a) If the fisherman shall be survived by a widow or widower (no child of the deceased surviving), 100 per cent;

(b) If the fisherman be survived by a widow or widower and one or more of his or her children, 50 percent to the widow or widower, and the other 50 percent to the surviving child or to the surviving children in equal shares;

(c) If the fisherman shall be survived by one or more children (no widow or widower surviving), the death benefits shall be payable to his children in equal shares;

(d) If there be no widow or widower and child surviving the fisherman but he is survived by one or both parents, then to such parent, or to such parents in equal shares;

(e) Otherwise, to the estate of the fisherman.

The terms "widow", "widower", "child", and "parent" shall have the meaning respectively ascribed to them by Section 902 of the U. S. Longshoremen & Harbor Workers' Compensation Act (Public 803—69th Congress).

IV. In the event of loss and claim, prompt notice shall be given to the United States Employees' Compensation Commission at one of the addresses listed below. Said Commission shall have the right and an opportunity to require, after return to a port within Continental United States, a physical examination of any fisherman who makes a claim hereunder. No claim hereunder shall be valid unless made by the payee as described in the foregoing section within two years after the date of accident, excluding from such two-year period any time while under internment.

V. In the event of the loss of a vessel listed in the attached addenda, without any conclusive evidence as to the cause of loss, a referee shall be appointed by the United States Employees' Compensation Commission who shall determine whether such loss shall be deemed to have been caused by a peril insured under the terms of this policy. In making such determination, said referee may consider any available evidence as to weather conditions or enemy action in the area involved and any other facts or circumstances deemed by him to be pertinent. The determination of the Referee shall be final and conclusive with respect to all rights hereunder and shall not be subject to judicial or other review except that the United States Employees' Compensation Commission may, in the event that the Referee has been guilty of gross error or misconduct, annul said determination and refer the matter to another referee similarly appointed.

VI. The War Shipping Administration shall pay claims hereunder within 15 days after certification by the United States Employees' Compensation Commission that such claims are payable under the terms of the policy.

In Witness Whereof the War Shipping Administration has caused this policy to be signed by its Administrator at Washington, D. C., but this policy shall not be valid unless countersigned by the Director of Wartime Insurance of the War Shipping Administration and unless addenda hereto are countersigned by said Director of Wartime Insurance.

Countersigned this _____ day of _____, 19____.

E. S. LAND,
(Director of Wartime Administrator
Insurance)

All claims shall be reported to the United States Employees' Compensation Commission at one of the following offices:

Boston, Mass.: Room 756, 10 Post Office Square.

New York City: 641 Washington St. at Christopher.

Philadelphia, Pa.: 409 New Customhouse and Chestnut Streets.

Baltimore, Md.: 1261 Calvert Bldg.

Norfolk, Va.: 219 U. S. Post Office and Court House

Jacksonville, Fla.: 404 Lynch Bldg.

New Orleans, La.: 600 Maritime Bldg., 203 Carondelet St.

Galveston, Tex.: 502 U. S. Post Office Bldg.

Cleveland, Ohio: 1341 Terminal Tower Bldg.

Chicago, Ill.: 576 U. S. Court House, 225 South Clark St.

San Francisco, Calif.: Room 318, 417 Market St.

Seattle, Wash.: 300 Colman Bldg.

Honolulu, T. H.: 407-408 Hawaiian Trust Bldg.

San Juan, P. R.: Building "L" PRRA Buildings, Stop 8.

Washington, D. C.: 514 Tenth Street NW.

New York, N. Y.: 285 Madison Ave.

§ 305.410 Form of life and dismemberment fishermen policy (blanket).

Life & Dismemberment

Fishermen Policy # _____

Insured Value _____

Amount Insured _____

Premium _____

UNITED STATES OF AMERICA

In consideration of the payment of a premium of \$ _____ being _____ % of the total sum insured hereunder, the War Shipping Administration by this policy of insurance hereby insures _____

For account of the fishermen of the American Vessel called _____
(inshore)
during _____ fishing operations at and
(offshore)
from _____ to _____
beginning _____ and
ending _____

I. Against loss of life and bodily injury to said fishermen directly caused by or directly consequent upon the capture of or attack upon said fishermen or said vessels by an enemy of the United Nations, or directly caused by countermeasures taken by the United Nations against such enemy or enemies. The term United Nations shall be deemed to include any Nation signatory to the United Nations Pact executed on or about January 2, 1942.

II. In the event of death or injury covered by the terms of this policy each fisherman shall be covered in the amount of \$ _____ and the War Shipping Administration will pay an amount to be determined by applying the percentage shown below to said amount:

Loss of:	
Life	100%
Both hands	100%
Both arms	100%
Both feet	100%
Both legs	100%
Both eyes	100%
Hand	50%
Arm	65%
Foot	50%
Leg	65%
Eye	45%
Total destruction of hearing	50%

The indemnities referred to above are payable, provided loss results directly and exclusively from bodily injuries: *Provided, however,* That such loss shall have occurred within 90 days of the date of accident except when such loss is preceded by a period of total disability commenced, or by previous loss hereunder sustained, within such 90 day period. Loss shall mean, with regard to hands and feet, arms and legs, dismemberment by severance at or above wrist or ankle, knee or elbow joints, or the complete and irrecoverable loss of function. With regard to eyes, complete and irrecoverable loss of sight. With regard to hearing, total and irrecoverable loss of hearing in both ears.

For accidental bodily injury not described in the foregoing schedule which, within 90 days from date of accident from a cause hereinbefore set forth, results in total disability and which necessarily and continuously prevents the person injured from performing any and every kind of duty pertaining to such person's occupation, the War Shipping Administration will pay compensation in monthly installments at the rate of 2% of the principal sum, beginning with the date of return to a port within the Continental United States, during such time thereafter as the total disability persists or until such time as the total of compensation, so paid, shall amount to the principal sum provided for the injured person in the attached addenda. This insurance, however, does not cover illness or disease of any kind (except pyogenic infections which shall occur through an accidental cut or wound) nor any disability due to or arising from mental and/or nervous disorders. Nothing herein shall be construed to cover claims by any member of the vessel's personnel arising from his own willful misconduct.

III. All payments for bodily injury, provided by this policy, will be made to the injured fisherman. All payments for death provided for in this policy will be paid to the beneficiary designated by the master, officer or member of the crew prior to sailing and filed with the owner or operator of the vessel or the duly authorized officer or agent thereof and witnessed, by a person not on the

same voyage which shall be conclusive evidence of such designation, and payment to such named beneficiary shall thereby entirely discharge Assurers' liability with respect to such loss. In the event that no beneficiary is filed as aforesaid, but the fisherman shall have within the Continental United States or its territories one or more persons of a degree of relationship herein-after set forth, such payment shall be made to such person or persons as follows:

(a) If the fisherman shall be survived by a widow or widower (no child of the deceased surviving), 100 per cent;

(b) If the fisherman be survived by a widow or widower and one or more of his or her children, 50 per cent to the widow or widower, and the other 50 per cent to the surviving child or to the surviving children in equal shares;

(c) If the fisherman shall be survived by one or more children (no widow or widower surviving), the death benefits shall be payable to his children in equal shares;

(d) If there be no widow or widower and child surviving the fisherman but he is survived by one or both parents, then to such parent, or to such parents in equal shares;

(e) Otherwise, to the estate of the fisherman.

The terms "widow", "widower", "child", and "parent" shall have the meaning respectively ascribed to them by Section 902 of the U. S. Longshoremen & Harbor Workers' Compensation Act (Public 803—69th Congress).

IV. It is further warranted the assured shall maintain insurance for the maximum number of men aboard. In the event insurance is not carried on the maximum number of men, in the event of loss, War Shipping Administration will pay only in the proportion that the number of men insured by the policy bears to the total number of men at risk at time of loss.

V. If a person covered by this policy be covered by this Assurer under a policy or policies for a voyage immediately prior and/or subsequent to the voyage hereunder insured, only one of all of such policies (including this policy) shall be deemed to be in force at any one time, notwithstanding any provision in any or all of such policies to the contrary effect.

VI. In the event of loss and claim, prompt notice shall be given to the United States Employees' Compensation Commission at one of the addresses listed below. Said Commission shall have the right and an opportunity to require, after return to a port within Continental United States, a physical examination of any fisherman who makes a claim hereunder. No claim hereunder shall be valid unless made by the payee as described in the foregoing section within two years after the date of accident, excluding from such two-year period any time while under interment.

VII. In the event of loss of a vessel listed in the attached addenda, without any conclusive evidence as to the cause of loss, a referee shall be appointed by the United States Employees' Compensation Commission who shall determine whether such loss shall be deemed to have been caused by a peril insured under the terms of this policy. In making such determination, said referee may consider any available evidence.

VIII. The War Shipping Administration shall pay claims hereunder within 15 days after certification by the United States Employees' Compensation Commission that such claims are payable under the terms of the policy.

In Witness Whereof the War Shipping Administration has caused this policy to be signed by its Administrator at Washington, D. C., but this policy shall not be valid unless countersigned by the Director of Wartime Insurance of the War Shipping Administra-

tion and unless addenda hereto are countersigned by said Director of Wartime Insurance.

Countersigned this _____ day of _____, 19____.

E. S. LAND,
Administrator.

Director of Wartime Insurance

All claims shall be reported to the United States Employees' Compensation Commission at one of the following offices:

Boston, Mass.: Room 756, 10 Post Office Square.

New York City: 641 Washington Street at Christopher.

Philadelphia, Pa.: 409 New Customhouse and Chestnut Streets.

Baltimore, Md.: 1261 Calvert Bldg.
Norfolk, Va.: 219 U. S. Post Office and Court House.

Jacksonville, Fla.: 404 Lynch Bldg.
New Orleans, La.: 600 Maritime Bldg., 203 Carondelet St.

Galveston, Tex.: 502 U. S. Post Office Bldg.
Cleveland, Ohio: 1341 Terminal Tower Bldg.

Chicago, Ill.: 576 U. S. Court House, 225 South Clark St.

San Francisco, Calif.: Room 318, 417 Market St.

Seattle, Wash.: 300 Colman Bldg.
Honolulu, T. H.: 407-408 Hawaiian Trust Bldg.

San Juan, P. R.: Building "L" PRRA Buildings, Stop 8.

Washington, D. C.: 514 Tenth Street, N. W.
New York, N. Y.: 285 Madison Ave.

SUBPART E—WAR RISK OPEN FREIGHT POLICY

§ 305.600 *Introductory.* By General Order No. 16 and supplements thereto a uniform bill of lading designated as "War Shiplading 7/1/42" is provided for use in connection with cargoes shipped by a vessel, the operation of which is within the control of the Administrator of the War Shipping Administration. By Clause 27 of said uniform bill of lading the carrier is required to insure freight for the account of shipowner, carrier and consignee.

War Shipping Administration, Division of Wartime Insurance is prepared to provide marine insurance against loss or damage by the risks of war covering the freight and/or advances which are required to be insured by the carrier in accordance with the provisions of General Order No. 16 ("War Shiplading 7/1/42") Clause 27, by an open war risk and/or advances insurance policy, hereinafter designated Warshipopenfreight Policy.

§ 305.601 *Application.* Vessel operators desiring to obtain a Warshipopenfreight Policy should negotiate directly with the War Shipping Administration, Division of Wartime Insurance, Room 4089, Commerce Building, Washington, D. C.

§ 305.602 *Warshipopenfreight Policy.* The following is the form of the Warshipopenfreight Policy:

Warshipopenfreight inbound form

UNITED STATES OF AMERICA
WAR SHIPPING ADMINISTRATION

Form of Policy

In consideration of premiums computed and paid as provided in Clause 12 of

FEDERAL REGISTER, Saturday, March 20, 1943

this policy, War Shipping Administration by this policy of insurance hereby insures for account of carrier, shipper and consignee against war risks as specified herein with respect to all freights and/or advances and/or charges incurred in respect to freight inbound to ports within the continental limits of the United States excluding Alaska which are required to be insured in accordance with the provisions of General Order No. 16, (Warshipplading, July 1, 1942), Clause 27,

- a. Under Ocean Bills of Lading dated on or after _____, or
- b. If Ocean Bills of Lading not issued, under equivalent shipping documents dated on or after said date, or
- c. If no Ocean Bills of Lading or equivalent documents are issued or the same are undated, laden on overseas vessel on and after said date.

For the purpose of this insurance, freight and/or advances insured hereunder shall be valued at:

1. Freight at actual amount at risk as per Bills of Lading and/or Contracts of Affreightment.

2. Advances and/or charges at the aggregate amount thereof made or for which liability is assumed.

The insurance is not to be prejudiced by any clause in the Contract of Affreightment providing that Freight and/or advances, neither of which have in fact been prepaid, are earned, ship or goods lost or not lost, or clauses of similar import.

In the event of loss, whether total or partial, freight earned or not earned, the War Shipping Administration shall be liable for the same percentage of the amount insured which would be recoverable under its standard form of cargo war risk policy if the cargo to which the insured freight and/or advances and/or charges apply, were covered thereunder.

It is further agreed in the event of loss the claimant shall be required to file an affidavit to the effect the amount claimed does not exceed the actual amount of freight at risk during the insured voyage plus advances and/or charges actually incurred with respect to the insured freight. Such affidavit shall be subject to the provisions of Section 35 (A) of the Criminal Code.

Freight and/or advances in respect to each bill of lading to be considered as if separately insured.

This policy may be amended by endorsement attached hereto and executed on behalf of the Administrator of the War Shipping Administration (by the Director of Wartime Insurance).

This insurance may be cancelled by either party upon fifteen days' written or telegraphic notice to the other party but such cancellation shall not affect the interest insured if the cargo to which it is applicable has been loaded on the overseas vessel prior to the effective date of such notice. Shipments which have not been so loaded but for which, prior to the effective date of such notice, bills of lading on dock receipts have been issued, shall nevertheless be covered in accordance with the conditions of this policy at rate to be agreed.

1. This insurance is only against the risks of capture, seizure, destruction, or damage by men of war, piracy, takings at sea, arrest, restraint and detentions, and other warlike operations and acts of kings, princes, and peoples in prosecution of hostilities or in the application of sanctions under international agreements, whether before or after declaration of war and whether by a belligerent or otherwise, including factions engaged in civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, and including the risks of aerial bombardment, floating or stationary mines, and stray or derelict tor-

pedoes; but excluding claims for delay, deterioration and/or loss of market, and warranted not to abandon (on any ground other than physical damage to ship or cargo) until after condemnation of the property insured. Also warranted not to abandon in case of blockade, and free from any claims for loss or expense in consequence of blockade or of any attempt to evade blockade; but in the event of blockade, to be at liberty to proceed to an open port and there end the voyage.

2. Warranted free from any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests, restraints or detentions.

3. This insurance does not cover any loss or damage caused by or resulting from any of the following causes:

(a) Commandeering, preemption, requisition, or nationalization by the government (de facto or otherwise) of the country to or from which the interest insured is insured.

(b) Seizure or destruction under quarantine or customs regulations.

(c) Capture, seizure, arrest, restraint, detention, or condemnation by the Government of the United States of America, or of any State, territory, or possession thereof, or by any government which is or may become party signatory of the "United Nations Pact" promulgated on or about January 2, 1942.

4. This insurance shall not attach to the interest hereby insured or to any part thereof:

(a) Prior to being on board an overseas vessel (for the purpose of this clause 4 an overseas vessel shall be deemed to mean a vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that vessel);

(b) after being discharged overseas from an overseas vessel at the final port of discharge, or after expiry of fifteen days counting from midnight of the day on which the overseas vessel is safely anchored or moored at the final port of discharge, whichever shall first occur;

(c) at a port or place of transshipment to another overseas vessel after the expiry of fifteen days (counting from midnight of the day on which the overseas vessel entering with the interest is safely anchored or moored) until the interest is on board the oncarrying overseas vessel. In the event of the exercise of any liberty granted to the Shipowner or Charterer under the contract of affreightment whereby such contract is terminated at a port or place other than the destination named therein such port or place shall be deemed the final port of discharge for the purpose of this clause 4.

5. Subject to the terms of clause 4 above and to any conditions or warranties which may be endorsed hereon, it is agreed that this insurance shall not be vitiated by deviation, overcarriage, change of voyage, or by any error or unintentional omission in the description of interest, vessel or voyage, provided the same be communicated to the War Shipping Administration as soon as known to the Assured and an additional premium paid if required.

6. And in case of any loss or misfortune, it shall be lawful and necessary to and for the Assured, his or their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard, and recovery of the said goods and merchandises, or any part thereof without prejudice to this insurance; nor shall the acts of the Assured or Assurers, in recovering, saving, and preserving the property insured, in case of disaster, be considered a waiver or an acceptance of an abandonment; and to the charges whereof, the said Assurers will contribute according to the rate and quantity of the sum hereby insured.

7. General Average and salvage charges (resulting from a peril hereby insured

against) payable according to Foreign Statement or York-Antwerp Rules if in accordance with the contract of affreightment.

8. Notwithstanding anything to the contrary contained in this Policy, it is understood and agreed:

(a) That no claim for freight, storage, or other expense due to the requisition or commandeering of the title or use of any vessel by or with the consent of the country whose flag she flies shall be payable under this insurance, and if as a result of such requisition or commandeering the cargo to which the insured interest is applicable is discharged at a port or place other than the port or place of destination, the port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this policy.

(b) That if any vessel shall be ordered into or detained in any port by the United States Government or by any government which is or may become party signatory of the "United Nations Pact" and the goods to which the insured interest is applicable shall be discharged at such port, then, if the goods be not the subject of proceedings of the nature set forth in clause 3 (a), such port or place of discharge shall be deemed a port or place of transhipment within the meaning of clause 4 (c) of this Policy.

9. If the ordinary course of transit of the goods to which the insured interest is applicable is interrupted or terminated by the shipper, consignee, or assured or any party acting on their behalf, this insurance shall forthwith terminate unless otherwise specially agreed by the War Shipping Administration.

10. This insurance shall include loss, damage or destruction of the property insured caused by saboteurs or other enemy agents.

11. It is a condition of this insurance that with respect to all risks coming within the scope of this Policy, the Assured shall file provisional reports with the Director of Wartime Insurance in the manner and form required by such regulations as may be promulgated by the War Shipping Administration from time to time.

12. Not later than the 25th day of each month the Assured shall file with the Director of Wartime Insurance, "closing reports in the manner and form required by such regulations as may be promulgated by the War Shipping Administration from time to time of all freights coming within the scope of this policy but this insurance shall not be invalidated by any error or omission which is demonstrated to the satisfaction of the Administrator to have been inadvertent or unintentional.

(1) For which the applicable steamers have arrived at port of destination in the Continental United States during the preceding month, and

(2) With respect to which inability to so arrive is by reason of loss, frustration, or other similar cause, comes to the knowledge of the Assured during the preceding month.

And will pay premium thereon at the applicable cargo rate prescribed by the War Shipping Administration and in effect:

(a) On date of Ocean Bill of Lading, or

(b) If Ocean Bill of Lading not issued, or date of equivalent shipping document, or

(c) If no Ocean Bill of Lading or equivalent shipping document issued, or if same are undated, on date goods are laden on overseas vessel.

Any loss payable hereunder shall be payable in funds current in the United States, to the order of _____ 30 days after full proofs of loss and proofs of interest have been filed with the War Shipping Administration.

In witness whereof the War Shipping Administration has caused this policy to be signed by the Administrator at Washington,

D. C. but this policy shall not be valid unless countersigned by or on behalf of the Director of Wartime Insurance.

(Sgd.) E. S. LAND.
E. S. Land,
Administrator.

Countersigned this ____ day of ____ 1943.

Director of Wartime Insurance,
War Shipping Administration.
E. S. LAND,
Administrator,
War Shipping Administration.

FEBRUARY 15, 1943.

§ 305.610 Applicability of commercial practice. With respect to all transactions of a type coming within the scope of this general order or any supplements thereto the War Shipping Administration is authorized by statute to exercise its powers, perform its duties and functions, and make its expenditures, in accordance with commercial practice in the marine insurance business. The exercise of this authority shall be at the sole discretion of the Administrator or his duly authorized representative, and any determination of the Administrator or said representative in this respect shall be conclusive and binding upon all parties.

§ 305.611 Amendments. Amendments to rules and to the standard forms may be made from time to time in the form of supplements to this general order. Such supplements unless otherwise specified, shall become effective 48 hours after the date of publication of such supplement in the *FEDERAL REGISTER*.

§ 305.615 Other insurances. War Shipping Administration is authorized to provide marine insurance and re-insurance against loss or damage by the risks of war and re-insurance against loss or damage by marine risks subject to the provisions of the Merchant Marine Act of 1936 as amended. Any applications for insurance or re-insurance so authorized but not specifically provided for by the foregoing provisions of this general order should be submitted by mail or telegram to the Division of Wartime Insurance of War Shipping Administration. Such applications should specify full and complete details of the transaction to be insured or re-insured to the extent that the details so given are not inconsistent with security regulations.

[SEAL]

E. S. LAND,
Administrator.

MARCH 15, 1943.

[F. R. Doc. 43-4000; Filed, March 15, 1943;
11:28 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter II—Office of Defense Transportation

[General Order ODT 35]

PART 501—CONSERVATION OF MOTOR EQUIPMENT

SUBPART X—LOCAL PASSENGER TRANSPORTATION EQUIPMENT

Pursuant to Executive Orders 8989, 9156, and 9294, and in order to conserve

and providently utilize vital passenger transportation equipment, materials, and supplies; and to provide for the prompt and continuous movement of necessary passenger traffic, the attainment of which purposes is essential to the successful prosecution of the war, *It is hereby ordered, That:*

Sec.

- 501.300 Definitions.
- 501.301 Applicability.
- 501.302 Inventory of equipment.
- 501.303 Approval required.
- 501.304 Application for approval.
- 501.305 Recommendation to War Production Board.
- 501.306 Determination pursuant to the provisions of the Act of December 1, 1942 (Public Law 779, 77th Congress).
- 501.307 Physical transfer of equipment.
- 501.308 Special or general permits.
- 501.309 Exemptions.
- 501.310 Federal Reports Act of 1942.
- 501.311 Communications.

AUTHORITY: §§ 501.300 to 501.311, inclusive, issued under E.O. 8989, 9156, 9294; 6 F.R. 6725, 7 F.R. 3349, 8 F.R. 221.

§ 501.300. Definitions. As used in this order (§§ 501.300-501.311), or in any order, direction, permit, regulation, or approval issued hereunder, the term:

(a) "Person" means any individual, partnership, corporation, association, joint stock company, business trust, or other organized group of persons, or any trustee, receiver, assignee, or personal representative, and includes any department or agency of the United States, any State, the District of Columbia, or any other political, governmental or legal entity;

(b) "Federal department" means any department or agency of the Government of the United States and includes any corporation organized and controlled by the United States;

(c) "Contractor" means any person (except a common carrier) who holds, or is a party, as a subcontractor or otherwise, to a contract with a Federal department, and who in connection with the performance of such contract provides, furnishes, or arranges for the transportation of passengers in local passenger transportation equipment;

(d) "Local passenger transportation equipment" includes buses, street railway cars, trolley coaches, trucks converted for passenger transportation, ferry boats, and other vehicles and vessels, principally used or held for use to carry 9 or more persons (including the operator) in public or private carrier service, but does not include combat equipment of the military and naval forces;

(e) "Common carrier" means any person who holds himself out to the general public to engage in the transportation of passengers by local passenger transportation equipment for compensation;

(f) "Special operation necessary for the prosecution of the war" means any operation involving the transportation of passengers in local passenger transportation equipment requisite in the prosecution of the war, which is conducted for a period of time not exceeding in the aggregate thirty (30) days, or which is for the purpose of supplying an

occasional extraordinary demand for such transportation.

§ 501.301 Applicability. The provisions of this order shall be applicable within the continental United States and the territories and possessions of the United States.

§ 501.302 Inventory of equipment.

(a) Each Federal department shall file with the Office of Defense Transportation an inventory of all local passenger transportation equipment which, on the effective date of this order (1) was owned by the United States and assigned to or in the possession of such Federal department, or (2) was owned by any person other than the United States and the right to the possession or control of which for any period in excess of 30 days was vested in such Federal department by virtue of any lease, contract, or other arrangement.

(b) Each contractor shall file with the Office of Defense Transportation an inventory of all local passenger transportation equipment, other than equipment held solely for sale or resale by any such contractor, which, on the effective date of this order, (1) was owned by such contractor, or (2) was owned by any person other than such contractor or the United States and the right to the possession or control of which for any period in excess of 30 days was vested in such contractor by virtue of any lease, contract, or other arrangement.

(c) Such inventory with respect to local passenger transportation equipment located in the continental United States shall be filed with the Office of Defense Transportation on or before May 15, 1943, and with respect to local passenger transportation equipment located in the territories and possessions of the United States shall be filed on or before June 15, 1943.

(d) Each inventory of local passenger transportation equipment filed with the Office of Defense Transportation, pursuant to the provisions of this § 501.302, shall contain the following information with respect to each rubber-tired vehicle included therein: (1) the name and address of the owner, (2) the name and address of any person to whom leased or chartered, (3) make of chassis, (4) make of body, (5) year of manufacture, (6) seating capacity, (7) place, places or area at or in which customarily used or held for use, (8) whether or not serviceable, (9) if not serviceable, repairs needed, and (10) such other information as will clearly indicate whether such unit of equipment was constructed as an integral body and chassis, a bus body mounted on a conventional truck chassis or a trailer or semi-trailer, or has been converted or rebuilt from another type of equipment.

(e) Each inventory of local passenger transportation equipment filed with the Office of Defense Transportation, pursuant to the provisions of this § 501.302, shall contain the following information with respect to each street railway car, ferry boat, vessel, or other vehicle which is not rubber-tired, included therein: (1) the name and address of the owner, (2) the name and address of any person to whom leased or chartered, (3) place,

places or area at or in which customarily used or held for use, (4) whether or not serviceable, (5) if not serviceable, repairs needed, (6) the passenger capacity and tonnage if a ferry boat or vessel, and (7) such other information as will identify each unit as a street railway car, ferry boat, vessel or other vehicle, and be descriptive thereof.

§ 501.303 Approval required. No Federal department or contractor shall hereafter complete arrangements for the purchase, lease, requisition, or use of local passenger transportation equipment without giving prior notice thereof to the Office of Defense Transportation as required by Executive Order 9294 and unless such purchase, lease, requisition or use shall have been first reviewed and approved by the Office of Defense Transportation.

§ 501.304 Application for approval. Application for approval by the Office of Defense Transportation of the purchase, lease, requisition, or use of any local passenger transportation equipment by any Federal department or contractor shall be made at the time such Federal department or contractor gives the notice to the Office of Defense Transportation that is required by the provisions of Executive Order 9294, and shall contain such information as the Office of Defense Transportation shall require.

§ 501.305 Recommendation to War Production Board. Any person desiring a recommendation by the Office of Defense Transportation to the War Production Board in connection with the purchase or delivery of any local passenger transportation equipment shall make application therefor to the Office of Defense Transportation and furnish such information in connection with and in support of such application as the Office of Defense Transportation shall require. Any recommendation made by the Office of Defense Transportation to the War Production Board with respect to the purchase or delivery of any such local passenger transportation equipment will be made subject to the condition that the applicant, if the application shall be granted, will comply with such terms and conditions with respect to the use of such equipment as may from time to time be prescribed by the Office of Defense Transportation.

§ 501.306 Determination pursuant to the provisions of the Act of December 1, 1942 (Public Law 779, 77th Congress.) A determination by the Office of Defense Transportation, in accordance with the provisions of the Act of December 1, 1942, (Public Law 779, 77th Congress), will be made only when specifically requested by the Secretary of War, the Secretary of the Navy, or the Chairman of the United States Maritime Commission, or the duly authorized representative of any thereof. Each such request shall be in writing and be accompanied by such information as the Office of Defense Transportation shall require. A statement shall be incorporated in each such request to the effect that, in the

judgment of the official making such request, existing private and other facilities are not and cannot be rendered adequate by other means to perform the transportation service that is to be performed by the equipment to be purchased, leased, or chartered, and that such purchase, lease, or charter will result in the most efficient method of supplying transportation to the personnel concerned.

§ 501.307 Physical transfer of equipment. (a) Unless authorized by the Office of Defense Transportation or unless necessary as the result of an emergency arising from an accident, public calamity, or military necessity;

(1) No person shall use or operate any local passenger transportation equipment with respect to the purchase and delivery of which the Office of Defense Transportation has made a recommendation to the War Production Board, or permit the use or operation of any such local passenger transportation equipment of which any such person is the owner or operator, except (a) for the purpose, over the route or routes, in the area, and in the particular service set forth in the application made to the Office of Defense Transportation for the recommendation to the War Production Board with respect to the purchase and delivery of such equipment, and (b) for such other purposes, over such other route or routes, in such other areas, and in such other services, as may be specifically authorized by the Office of Defense Transportation; and

(2) No person shall use or operate any local passenger transportation equipment with respect to the purchase and delivery of which the Office of Defense Transportation has not made a recommendation to the War Production Board, or permit the use or operation of any such local passenger transportation equipment of which any such person is the owner or operator, for such period of time or in such service as will require:

(i) The removal for more than 3 consecutive days of such local passenger transportation equipment from the service or services of any common carrier or group of common carriers under a common control or common management, (a) owning or operating such equipment on the date of this order, or (b) using such equipment by approval from the Office of Defense Transportation; or

(ii) The removal of such local passenger transportation equipment, when used and operated by a person not a common carrier, from the service of supplying transportation to and from the particular points, places, plants, camps, schools, and locations to and from which such local passenger transportation equipment (a) was so used and operated, or held for use and operation, on the date of this order, or (b) is used with the approval of the Office of Defense Transportation.

(b) A report of each such use or operation necessary as a result of an emergency and not previously authorized by the Office of Defense Transportation shall be mailed to the Office of Defense Transportation, Washington, D. C.,

within 7 days after such use or operation is commenced.

(c) Application for authority to use or operate local passenger transportation equipment in a manner prohibited by this § 501.307 shall be made in writing to the Office of Defense Transportation, and shall contain such information as the Office of Defense Transportation shall require.

§ 501.308 Special or general permits. The provisions of this order shall be subject to any special or general permit issued by the Office of Defense Transportation to meet specific needs or exceptional circumstances.

§ 501.309 Exemptions. The provisions of § 501.303 of this order which requires notice to and approval by the Office of Defense Transportation prior to the completion of arrangements for the use of local passenger transportation equipment shall not apply to the use of such equipment (1) for the movement of military and naval personnel on maneuvers or on trips made under official military or naval orders, or (2) on other special operations necessary for the prosecution of the war.

§ 501.310 Federal Reports Act of 1942. This order has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Specific recording or reporting requirements subsequently prescribed will be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

§ 501.311 Communications. Communications concerning this order should be addressed to the Division of Local Transport, Office of Defense Transportation, Washington, D. C., and should refer to "General Order ODT 35".

This order shall become effective March 17, 1943.

Issued at Washington, D. C., this 17th day of March 1943.

JOSEPH B. EASTMAN,
Director, Office of Defense
Transportation.

[F. R. Doc. 43-4158; Filed, March 17, 1943;
2:19 p. m.]

[General Permit ODT 35-1]

PART 521—CONSERVATION OF MOTOR EQUIPMENT—PERMITS

SUBPART X—LOCAL PASSENGER TRANSPORTATION EQUIPMENT

In accordance with § 501.308 of General Order ODT 35, it is hereby authorized that:

§ 521.5200 Certain ferry boats and other vessels. The Department of War, the Department of the Navy, the Department of the Interior, and the Treasury Department may each (a) omit from any inventory filed pursuant to the provisions of paragraph (a) of § 501.302 of General Order ODT 35, and (b) without review and approval by the Office of Defense Transportation, as required by the provisions of § 501.303 of General

Order ODT 35, complete arrangements for the purchase, lease, requisition, or use of the following described local passenger transportation equipment:

Ferry boats or other vessels which are not used, or which are not to be used, principally, (1) for the transportation of passengers in common carrier service, or (2) for the transportation of civilian employees of any such Department en route between their homes and their places of employment. (E.O. 8989, 9156, 9294; 6 F.R. 6725, 7 F.R. 3349, 8 F.R. 221; General Order ODT 35, this issue)

This General Permit ODT 35-1 shall become effective March 17, 1943.

Issued at Washington, D. C., this 17th day of March 1943.

JOSEPH B. EASTMAN,
Director, Office of Defense
Transportation.

[F. R. Doc. 43-4159; Filed, March 17, 1943;
2:19 p. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. A-1409]

CARL NYMAN

ORDER CHANGING PLACE OF HEARING

In the matter of the petition of Carl Nyman, a code member in District No. 20 for revision of the minimum prices for the coals, for truck shipment, produced from the National Mine (Mine Index No. 179) in District No. 20, pursuant to section 4 II(d) of the Bituminous Coal Act of 1937.

An order redesignating trial examiner and changing place of hearing having been issued in the above-entitled matter on February 9, 1943, scheduling a hearing therein to be held at a hearing room of the Bituminous Coal Division in the Salt Lake County Court House, Salt Lake City, Utah, on March 27, 1943;

Now, therefore, it is ordered, That the location of the hearing be, and it hereby is, changed from a hearing room of the Bituminous Coal Division in the Salt Lake County Court House, Salt Lake City, Utah, to a hearing room of the Bituminous Coal Division in the New House Hotel, Salt Lake City, Utah.

Dated: March 18, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-4245; Filed, March 19, 1943;
10:09 a. m.]

[Docket Nos. A-1815 and A-1821]

DAY'S MUTUAL COAL CO., ET AL.

ORDER CHANGING PLACE OF HEARING

In the matter of the petition of Day's Mutual Coal Company, Duncan and Nicolo and Bills and Kilgore, code members in District No. 20, for the establishment of minimum prices for coals sold to Standard Coal, Incorporated, for sizing,

preparation and resale by it; Docket No. A-1815.

In the matter of the petition of Standard Coal, Incorporated, for an exception to Rule 3 of section V and rule 1 of section VI of the marketing rules and regulations as to coal purchased by it for sizing, preparation and resale; Docket No. A-1821.

An order of consolidation, order granting temporary relief in part and notice of and order for hearing having been issued in the above-entitled matters on February 6, 1943, scheduling a hearing therein to be held at a hearing room of the Bituminous Coal Division in the Salt Lake County Court House, Salt Lake City, Utah, on March 26, 1943;

Now, therefore, it is ordered, That the location of the hearing be, and it hereby is, changed from a hearing room of the Bituminous Coal Division in the Salt Lake County Court House, Salt Lake City, Utah, to a hearing room of the Bituminous Coal Division in the New House Hotel, Salt Lake City, Utah.

Dated: March 18, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-4246; Filed, March 19, 1943;
10:09 a. m.]

[Docket No. B-260]

A & B COAL CO.

ORDER REVOKING CODE MEMBERSHIP

In the matter of J. A. Allred and W. B. Brown, individually and as copartners, doing business under the name and style of A & B Coal Company, Code Members.

Upon the basis of the findings of fact and conclusions of law set forth in an opinion of the Director filed simultaneously herewith, wherein it appears that J. A. Allred and W. B. Brown, individually and as copartners, doing business under the name and style of A & B Coal Company, code members in District No. 8, operating the A & B Mine (Mine Index No. 2649) located in Overton County, Tennessee, willfully violated section 4 II (e) of the Act, the corresponding section of the Code, and the schedule of effective minimum prices for District No. 8 for truck shipments by selling to various persons between October 1, 1940 and September 25, 1941, both dates inclusive, 3,560.25 tons of 1 1/4" x 2 3/4" nut coal at prices ranging from \$1.00 to \$1.52 per net ton f. o. b. their mine and 203.25 tons of 1 1/4" x 0 slack coal at prices ranging from 50 cents to 81 cents per net ton f. o. b. the mine, whereas the applicable minimum prices were, respectively, \$1.85 and \$1.35 per net ton f. o. b. the mine;

It is ordered, That effective fifteen (15) days from the date hereof, the code membership of J. A. Allred and W. B. Brown, individually and as copartners, doing business under the name and style of A & B Coal Company, in District No. 8, be and it hereby is cancelled and revoked; and

It is further ordered, That prior to reinstatement to code membership, code members shall pay to the United States

a tax in the amount of \$2,675.73, as provided by section 5 (c) of the Act.

Dated: March 17, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-4248; Filed, March 19, 1943;
10:08 a. m.]

[Docket Nos. A-1827; A-1827, Part II]

DISTRICT BOARD 13

MEMORANDUM OPINION, ETC.

In the matter of the petition of District Board No. 13 for the establishment of price classifications and minimum prices for the coals of certain mines in District No. 13, Docket No. A-1827; in the matter of the petition of District Board No. 13 for the establishment of price classifications and minimum prices for the Size Group 10 coals of the New River Mine for rail shipment, Docket No. A-1827, Part II.

Memorandum opinion and order severing Docket No. A-1827, Part II from Docket No. A-1827, and granting temporary relief and notice of and order for hearing.

An original petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting the establishment, both temporary and permanent, of price classifications and minimum prices for the coals of certain mines in District No. 13, including the Size Group 10 coals produced for rail shipment at the New River Mine (Mine Index No. 21) of Brookside-Pratt Mining Company; and

It appearing that no final determination should be made at this time with respect to the establishment of price classifications and minimum prices for the coals in Size Group 10 produced for rail shipment at the New River Mine (Mine Index No. 21) of Brookside-Pratt Mining Company, as requested in the original petition heretofore filed in this matter for the reason that insufficient facts are available upon which to establish a price classification and minimum price for Size Group 10 coals produced for rail shipment by this mine, and for the further reason that no price classification and minimum price has been established for Size Group 10 coals produced by any mine in Group No. 42;

No petitions of intervention having been filed with the Division in the above-entitled matter; and

The following action being deemed necessary in order to effectuate the purposes of the Act:

Now, therefore, it is ordered, That the portion of Docket No. A-1827 relating to the coals of the New River Mine (Mine Index No. 21) of Brookside-Pratt Mining Company be, and the same hereby is, severed from the said docket and designated as Docket No. A-1827, Part II.

It is further ordered, That pending further order, temporary relief is granted as follows: Commencing forthwith, the schedule of effective minimum prices for District No. 13 for all shipments except truck is supplemented to include the price classifications and minimum prices

set forth in the schedule marked Temporary Supplement R, annexed hereto and made a part hereof.

It is further ordered, That a hearing in Docket No. A-1827, Part II under the applicable provisions of the Bituminous Coal Act of 1937 and the rules of the Division be held on March 22, 1943, at 10 o'clock in the forenoon of that day at a hearing room of the Bituminous Coal Division, Washington, D. C. On such day the Chief of the Records Section in the Office of the Division will advise as to the room where such hearing will be held.

It is further ordered, That W. A. Cuff, or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in this proceeding and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petitions of intervention shall be filed with the Bituminous Coal Division on or before March 17, 1943.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein, may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of intervention or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to the petition of District Board No. 13 to establish for the coals in Size Group 10 for rail shipment, produced at the New River Mine (Mine Index No. 21) of Brookside-Pratt Mining Company, in Group No. 42, price classifications and minimum prices similar to those effective for the coals in such size produced at the Empire Mine (Mine Index No. 22) of the DeBardeleben Coal Corporation in Group No. 11.

Dated: March 11, 1943.

[SEAL] DAN H. WHEELER,
Director.

[F. R. Doc. 43-4247; Filed, March 19, 1943;
10:08 a. m.]

CIVIL AERONAUTICS BOARD.

[Docket Nos. 300 and 499]

PAN AMERICAN AIRWAYS, INC.

NOTICE OF HEARING

In the matter of the petition of Pan American Airways, Inc., for rehearing, reargument and reconsideration of the Board's order dated August 31, 1942, fixing the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith in the petitioner's transpacific services.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 406 and 1001 of said Act, in the above-entitled proceeding, that hearing is assigned to be held on March 26, 1943, 10:00 a. m. (eastern war time) in the foyer of the Department of Commerce Auditorium, 14th Street and Constitution Avenue NW., Washington, D. C.

Dated Washington, D. C., March 18, 1943.

HERBERT K. BRYAN,
Examiner.

[F. R. Doc. 43-4249; Filed, March 19, 1943;
10:59 a. m.]

MARITIME WAR EMERGENCY BOARD.

STATEMENT OF PRINCIPLES

1. In so far as areas, war bonuses, and insurance are concerned, it is regarded as desirable and necessary that a uniform basis for each item covering the entire nation and the entire industry be reached.

2. Without waiving the right to strike, maritime labor gives the Government firm assurance that the exercise of this right will be absolutely withheld for the period of the war; on a voluntary basis therefore this is a guarantee on the part of labor that there will be no strikes during the period of the war. Representatives of employers in the maritime industry also guarantee there will be no lockouts for the period of the war.

3. The utilization of collective bargaining will in no instance be impaired or restricted by reason of any action taken at this conference. It is understood and agreed that all rights guaranteed to labor and industry with respect to collective bargaining will be retained and all agreements and obligations arising as a result of collective bargaining agreements will in no way be violated. During the period of the war there shall be no limitation or curtailment of the productive or service capacities of either employer or employee.

4. To provide machinery for the settlement of disputes without interruption of service or stoppage of work during the period of the war and to insure the application of the maximum war effort and coordination of all war activities coming within the purview of the maritime industry, the Maritime War Emergency

Board with the powers and purposes set forth in Exhibit A, attached hereto, will be created.

EXHIBIT A

PROPOSED BOARD TO EXPEDITE AND COORDINATE THE WAR EFFORTS OF EMPLOYERS AND LABOR IN THE MARITIME INDUSTRY

DECEMBER 18, 1941.

The unions representing the personnel of the vessels of the American Merchant Marine and the operators of those vessels having pledged themselves to cooperate wholeheartedly in the all-out war effort of the Government and to take no action during the war emergency which shall cause any interruption of the service of such vessels, it is of the utmost importance that appropriate means shall be established in order to coordinate the war efforts of employees and employers in the American Merchant Marine and to insure that all questions which may arise between them and which, if not promptly and amicably settled might lead to interruptions in such service, shall be promptly and amicably settled.

It is confidently expected that most of such questions can and will be settled through the normal procedure of collective bargaining between such unions and the steamship operators.

Under present war conditions, however, neither the unions nor the steamship operators will at all times be in position to obtain adequate information with regard to the extent of war risks in order to enable them to bargain intelligently with regard to questions relating to war risk compensation and insurance of the personnel of such vessels.

In order to afford a procedure for settling questions relating to war risk compensation and insurance which will at the same time insure that the consideration thereof shall be based upon adequate and accurate information and that such questions shall be settled in such manner as shall most certainly assist in the prosecution of the war, it is proposed that there shall be established a board to be known as the Maritime War Emergency Board (hereinafter sometimes called the Board), or by some other suitable name, and to be composed and have the powers and duties hereinafter set forth.

The Board shall consist of three members to be named by the President of the United States with the understanding that one member shall be selected from the U. S. Department of Labor and one from the U. S. Maritime Commission.

Whenever any difference shall arise between any steamship operator and any union representing its employees with regard to any question relating to war risk compensation or war risk insurance of personnel of the vessels of such steamship operator and such question shall not be settled through the ordinary procedure of collective bargaining between such steamship operator and its employees, such question shall be referred to the Board by such steamship operator or such union by giving written notice to the Board and to the other party of the intention of the party giving such notice to refer such question to the Board. Such notice shall specify the question to be referred to the Board.

Upon receiving such notice the Board shall as promptly as shall be practicable afford to each party a reasonable opportunity to present evidence and argument in support of the position of such party and the Board shall thereupon render its decision in writing with regard to such question and serve a copy thereof upon each party.

The decision of the Board upon any such question which shall be referred to it as hereinbefore set forth shall be final and

binding upon all parties to the difference out of which such question arose.

The Board shall appoint advisory committees of representatives of the steamship operators and of such unions of equal representation for the purpose of consulting with and advising the Board in respect of any other matters looking toward improvement and coordination of the war effort of the United States in the Merchant Marine field.

JOHN J. COLLINS,
Independent Unions of Licensed
Officers on Tankers; Independent
Unions of Unlicensed Per-
sonnel on Tankers.
MATHEW D. BIGGS,
Seafarers International Union of N. A.
A. M. HEMPHILL,
National Organization Masters,
Mates & Pilots of America.
H. MARTIN,
National Organization Masters,
Mates & Pilots of America.
JOSEPH P. SELLY,
by WAYNE P. PASCHAL,
President, American Communications Assn.
GEORGE F. ANDERSON,
Sec.-Tr. American Merchant Marine
Staff Officers Assn., Inc.
E. W. HIGGINBOTHAM,
Secy. Local No. 4, N. O. M. M.
& P. of A.
CAPT. W. E. ANTHONY,
Waterman Steamship Co.,
Mobile, Ala.
CAPT. C. F. MAY,
President, N. O. M. M. & P. Local 90,
6th Nat. Vice President.
FRANK J. TAYLOR,
President, American Merchant
Marine Institute, Inc.
SAMUEL J. HOGAN,
President, National Marine
Engineers Beneficial Association.
J. B. BRYAN,
Pacific American Shipowners Association.
L. B. PATE,
Mississippi Shipping Co. Inc.
W. A. KIGGINS, Jr.,
A. H. Bull Steamship Co. and
Baltimore Insular Line.
HARRY A. MORGAN,
Vice President, American Com-
munications Assn., C. I. O.
FREDERICK MYERS,
Vice President, National
Maritime Union.
HOWARD MCKENZIE,
National Maritime Union.
B. L. TODD,
United Licensed Officers.
HARRY LUNDEBERG,
Sailors' Union of the Pacific.
MORRIS WEISBERGER,
Sailors' Union of the Pacific.
JACK O'DONNELL,
Marine Cooks and Stewards Assn.
V. J. MALONE,
Pacific Coast Marine Firemen, Oilers,
Watertenders, Wipers Assn.
MARDY POLANER,
Seafarers International Union of
N. A., Great Lakes District.
JOHN HAWK,
Atlantic and Gulf District of the
Seafarers International Union of
North America.
L. J. HOOPER, Jr.
President, Eastern Transportation
Company.
LEO J. DOUGHERTY,
The P. Dougherty Company.
ARNOLD BERNSTEIN,
Vice-President, Orbis Steamship Company.
E. S. LAND,
Administrator, War Shipping
Administration.
EDWARD FARR,
Brotherhood of Marine Officers.

ERICH NIELSEN,
Secretary of the Maritime
War Emergency Board.

[F. R. Doc. 43-4069; Filed, March 15, 1943;
4:23 p. m.]

[DECISION 1 A]

LIFE AND DISABILITY WAR RISK INSURANCE

The Maritime War Emergency Board today announces this Decision with respect to Crew War Risk Life and Disability Insurance.

Article I—Life and Disability Insurance
Coverage

Crew members of all merchant vessels documented under the laws of the United States and covered by the Statement of Principles pursuant to which the Board was established, shall be furnished war risk life insurance and disability (including dismemberment and loss of function) protection in the respects and to the extent provided in the form of insurance policy attached hereto. The obligation to furnish such insurance protection shall be deemed fulfilled by the procurement of an insurance policy in the form mentioned above from the War Shipping Administration. If such insurance protection is procured from another source, the obligation to furnish such insurance protection shall not be deemed fulfilled if and to the extent that benefits that are lawfully payable under and pursuant to the terms of the insurance policy aforementioned are not paid. This Decision does not apply to alien crew members who do not reside in the continental United States and who are employed aboard any such merchant vessel engaged in a shuttle service or voyage between foreign ports, except to the extent and with such modifications as may be agreed upon and set forth in their contract of employment.

If the Board, by reason of important changes or developments in war conditions which affect the hazards and risks undertaken by the crew members of the aforementioned merchant vessels, determines that the form and terms of the aforesaid policy should be amended or modified, or if the Board determines that any of the present terms of the aforesaid form of policy are productive of serious injustices or hardship, it may by Decision require that additional or different insurance protection be afforded to crew members of all such merchant vessels and prescribe appropriate amendments or modifications of the form of policy attached hereto accordingly, all in such manner and to such extent as the Board considers advisable. If the Board further determines that such action is necessary and proper in order to avoid unjust discrimination in those cases which have theretofore arisen, it may require, with and upon the concurrence of the Administrator of the War Shipping Administration, that any such additional or different insurance protection and any such amendment or modification of the form of the aforesaid policy be made appli-

cable to such cases, irrespective of whether benefits in such cases have or have not been claimed or paid under and pursuant to the terms of such policy then in effect, all in such manner and to such extent as the Board considers advisable.

Article II—Effective Date

This Decision and the form of insurance policy attached hereto, known as the Second Seamen's War Risk Policy, shall be effective as to all voyages the Articles for which were opened on or after 12:01 A. M. of March 15, 1943. (In those cases in which Articles were not used, the date of the commencement of the voyage shall govern). Benefits as to all Masters, Officers and Crew Members of vessels the Articles for which were opened before 12:01 A. M. of March 15, 1943, (in those cases in which Articles were not used, the date of the commencement of the voyage shall govern) and who are disabled as a result of a peril insured against by the Second Seamen's War Risk Policy occurring after 12:01 A. M. of March 15, 1943, shall be governed by and payable in accordance with the Second Seamen's War Risk Policy. Life insurance with respect to such personnel shall, however, be governed by and payable in accordance with the terms of the policy covering such personnel on the date on which Articles were opened, (or the date of the commencement of the voyage, if Articles were not used): *Provided, however, That any beneficiary or person who*

(1) Either is entitled to the benefits of such a policy because of the loss of life of the insured as a result of a peril occurring on or after 12:01 A. M. of March 15, 1943, or

(2) Would have been entitled to such benefits if the peril occurring on or after 12:01 A. M. of March 15, 1943, although not a peril insured against under such policy, does constitute a peril covered by the Second Seamen's War Risk Policy,

may receive payments of life insurance benefits in accordance with the provisions of the Second Seamen's War Risk Policy on the condition that such beneficiary or person validly releases and relinquishes all of his rights under such prior policy.

Article III—Certificate of Presumptive Death

If the Board is satisfied, on the basis of proof presented, that a crew member is dead, it may issue a Certificate of Presumptive Death of such crew member, upon the request of the owner or charterer of the vessel on which such crew member was employed or was being repatriated.

Article IV—Repeal

Decision No. 1 and all Supplements, Amendments, Clarifications and Memoranda pertaining thereto previously issued by the Maritime War Emergency Board are repealed as of the effective date of this Decision, except in connection with disability claims where such dis-

ability arose from a peril occurring prior to 12:01 A. M. of March 15, 1943, and those loss of life claims which by the terms of this Decision are to continue to be governed and controlled by the form of insurance policy attached to Decision No. 1.

MARITIME WAR EMERGENCY BOARD,
EDWARD MACAULEY, Chairman.
JOHN R. STEELMAN,
FRANK P. GRAHAM.

JANUARY 28, 1943.

PREVIOUS BENEFICIARY DESIGNATIONS

The Board requests all owners, operators and seamen's representatives to stress to all interested parties the fact that all acts taken in connection with Decision No. 1 and Supplements thereto, particularly designation of beneficiaries, are of no effect with respect to the Second Seamen's War Risk Policy as to voyages the Articles for which were opened on or after 12:01 A. M. of March 15, 1943, (in those cases in which Articles were not used, the date of the commencement of the voyage shall govern). If seamen desire to designate a beneficiary under the Second Seamen's War Risk Policy as to such voyages, designations must be made in accordance with the terms of that policy; a beneficiary designated under the policy set forth in Decision No. 1 does not automatically continue as beneficiary under the Second Seamen's War Risk Policy.

SECOND SEAMEN'S WAR RISK POLICY

Article

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UNITED STATES OF AMERICA

WAR SHIPPING ADMINISTRATION

SECOND SEAMEN'S WAR RISK POLICY

Crew Life Disability, Loss of Effects and Detention

No. _____
Date _____

Total number of men insured for life and injury _____ for \$_____ each.

Total amount insured, life or injury \$_____

Rate _____% Premium \$_____

Total amount insured, personal effects \$_____ Rate _____% Premium \$_____

Total amount annual wages and Emergency wages \$_____ Rate _____% Premium \$_____

Total premium \$_____

In consideration of payment by _____

of a premium of \$_____, the War Shipping Administration does insure the Master, Officers and Crew, as hereinafter set forth, of the vessel called _____ during the period described herein commencing about _____ against loss of life, disability (including dismemberment and loss of function), loss of or damage to personal effects, and detention (including the occurrence of other situations hereinafter provided), from the perils and causes hereinafter stated, payable in case of claim in funds current in the United States in accordance with the following Schedules and as hereinafter stated.

Schedule 1. Loss of life. Master, Officers and Crew, each \$5,000.00.

The amount for which each person is covered by this Schedule is the Principal Sum.

Schedule 2. Disability, including dismemberment and loss of function. For disability proximately caused by the risks and perils insured against herein, and which arises within ninety days from the date of the happening of such risks and perils, and for dismemberment and loss of function caused by the risks and perils insured against herein, and which result from such a disability or otherwise occur within ninety days from the happening of such risks or perils, the Insurer will pay to the insured the benefits set forth in the Stipulations and Conditions.

Schedule 3. Crew effects. For loss of or damage to the personal effects of the Master, Officers or Members of the Crew proximately caused by the risks and perils insured against herein, the Insurer will pay the amount set forth in the Stipulations and Conditions for the loss of or damage to said effects during the entire period of this Policy as herein-after set forth, and for the loss of or damage to effects proximately caused by the risks and perils insured against herein, purchased or otherwise acquired during the policy period to replace effects lost or damaged by the risks and perils insured against herein, the Insurer will pay not exceeding \$50.00 for each such loss or damage.

Schedule 4. Detention and repatriation benefits. For detention of the Master, Officers or Members of the Crew during the period covered by this Policy, and under other situations hereinafter provided, the Insurer will pay benefits to the insured or for his or their account, as set forth in the Stipulations and Conditions.

This Policy is made and accepted subject to the foregoing and to the Stipulations and Conditions on the following pages which are hereby specially referred to and made a part of this Policy.

In witness whereof, the War Shipping Administration has caused this Policy to be signed by the Administrator, but it shall not be valid unless countersigned by or on behalf of the Director of Wartime Insurance.

E. S. LAND,
Administrator.

Countersigned at Washington, D. C., this _____ day of _____, 194____.

Director of Wartime Insurance.

STIPULATIONS AND CONDITIONS

ARTICLE 1. Persons insured. The persons insured by this Policy are the Master, Officers and Crew of the vessel described on the face of this Policy. Except as to merchant seamen, membership in the vessel's gun crew shall not of itself constitute an individual a member of the crew of the vessel, as that phrase is used herein. Any person or per-

sons insured under any other or similar policy, including the Second Seamen's War Risk Policy, obtained or issued in compliance with the decisions of the Maritime War Emergency Board (issued by the United States Maritime Commission or the War Shipping Administration or otherwise), insuring against loss of life or disability (including dismemberment and loss of function) or loss of or damage to personal effects or detention, including the occurrence of other situations hereinafter provided) shall not to the extent of such prior coverage, be entitled to coverage under this Policy while such other insurance is in force and effect.

ART. 2. Additional insurance. In the event that any person is employed as a Master or Officer or Member of the Crew of said vessel after the commencement of the voyage, the amount of the premium shall be increased proportionately: *Provided, however, That the failure to pay such additional premium shall not affect the additional coverage.*

ART. 3. Risks and perils. The insurance is for loss of life, disability (including dismemberment and loss of function), loss of or damage to personal effects, and detention (including the occurrence of other situations hereinafter provided) of the insured, directly and proximately caused by risks of war and warlike operations, including capture, seizure, destruction by men-of-war, sabotage, piracy, takings at sea, arrests, restraints and detentions, acts of kings, princes and peoples in the prosecution of hostilities or in the application of sanctions under international agreements, whether before or after declaration of war and whether by a belligerent or otherwise, including factions engaged in civil war, revolution, rebellion or insurrection, scuttling to prevent capture, aerial bombardment, or, attempts at, or measures taken in defense of, all of the foregoing acts, floating or stationary mines, torpedoes, whether derailed or not, collision caused by failure, in compliance with wartime regulations, of said vessel or any vessel with which she is in collision, to show the usual full peacetime navigation or anchorage lights, stranding caused by the absence of lights, buoys, or similar peacetime aids to navigation consequent upon wartime regulations, stranding caused by the failure of said vessel to employ a pilot in waters where a pilot would ordinarily be employed in peacetime, but in which the employment of a pilot is dispensed with in compliance with military, naval or other governmental orders, or with a view to avoiding imminent enemy attack (for the purposes of the foregoing, the failure to show lights, the absence of lights, buoys, etc., and the failure to employ a pilot shall be presumed to be the cause of the collision or stranding unless the contrary be proved, and stranding shall include sinking consequent upon stranding or contact with any part of the land), collision with another vessel in the same convoy or collision with any military or naval vessel, that is to say, a vessel manned by and under the control of military or naval personnel and designed to be employed primarily in armed combat service, stranding, collision or contact with any external substance (including ice, but excluding water), as a result of deliberately placing the vessel in jeopardy, in compliance with military, naval or other governmental orders in order to avoid imminent enemy attack, or as an act or measure of war taken in the actual process of embarking or disembarking troops or loading or unloading material of war.

The fact that a vessel, or any vessel with which such vessel is in collision, is carrying troops or military or other supplies, or is proceeding to or from a war base, or is manned or operated by military or naval personnel, shall not alone be sufficient to include in this policy any claim which is

not included by the foregoing terms of this article.

ART. 4. *Period of Coverage.* The period of coverage for each person covered hereunder is

From the time such person signs the Articles or enters into a contract of employment for the voyage of the aforesaid vessel, or, if already on Articles for a series of voyages or period of time, from the inception of the aforesaid voyage (i. e., when the vessel is ready to begin the loading of cargo for the aforesaid voyage or to sail in ballast) or, if employed subsequent to the commencement of the voyage, from the time of such employment.

Until such person shall be returned to a place within the continental United States, excluding Alaska, including any period of capture or internment.

Unless sooner terminated by desertion, discharge, accepting employment on another vessel for a purpose other than to be repatriated, or the refusal without good cause to return to the continental United States, excluding Alaska, from any place outside thereof, in any of which events the coverage under this Policy shall be at an end. (The term "discharge", as used in this paragraph, does not include instances in which the insured leaves the vessel for medical or hospital treatment or for other causes deemed good and sufficient in the opinion of the Administrator).

ART. 5. *Extension of period of coverage.* If the insured returns to the continental United States, excluding Alaska, on a vessel which touches or stays at a place or places within the continental United States, excluding Alaska, other than the place of termination of the voyage and the vessel thence proceeds to such place of termination, the period of coverage in respect to each person covered hereunder who continues to be on board such vessel is extended to the termination of the voyage.

ART. 6. *Payment for loss of life.* The amount of the payment for loss of life shall be the Principal Sum stated on the face of this Policy subject, however, to any deductions or additions hereinafter contained.

Payment for loss of life shall be made in a lump sum except that when

(a) in the opinion of the Administrator conclusive proof of death is not present, or

(b) the insured at the time of designating a beneficiary or beneficiaries requests on the form provided therefor that the amount payable for the loss of his life be paid in installments, or

(c) the beneficiary or beneficiaries request in writing that the payment for loss of life be made in installments,

payment for loss of life may, in the discretion of the Administrator, be made in monthly installments not exceeding twenty-four, in which event no interest is to be added or paid. By requesting payment in installments, the insured and the beneficiary or beneficiaries agree on behalf of themselves, their heirs, executors and administrators to be bound by the provisions of paragraph B, Article 7 hereof, as well as all other provisions contained herein. The beneficiary or beneficiaries may at any time upon written request obtain a lump sum payment of the entire amount yet unpaid if payment is being made in installments pursuant to the written request of the beneficiary or beneficiaries. If payment has been commenced in installments and the Principal Sum is not yet exhausted, the Administrator, in his sole discretion and at any time may direct that payment of the balance of the Principal Sum be paid in a lump sum or in installments of different or varying amounts: *Provided, however, That all of the Principal Sum be paid within twenty-four months from the time that the first payment is made.*

If any payments are made under Article 12 hereof, the total amount of such payments

shall be deducted from the amount of the Principal Sum payable under this Policy for loss of life.

If the personal effects of an insured are lost or damaged under circumstances where payment would be due under the terms hereof to said person for such loss or damage and said person either before or after such loss or damage dies, his death being proximately caused by the risks and perils insured against herein, the amount which would have been payable for the loss of or damage to such personal effects had he survived shall be added to the Principal Sum hereof and shall be payable to the beneficiary of the insurance for loss of life.

ART. 7. *Beneficiaries of insurance for loss of life.*

A. The insurance shall be payable only to a lawful widow or widower, child (the latter term including a posthumous child, a child legally adopted by the insured, and, if designated, a child in relation to whom the insured stood in *loco parentis*, and a step-child or acknowledged illegitimate child), parent (including a step-parent, parent by adoption and, if designated, a person who stood in the place of a parent to the insured), brother or sister (including, if designated, step-brothers or step-sisters, half-brothers and half-sisters, and brothers and sisters by adoption), grandparents, grandchildren, and, if designated, nephews, nieces, aunts or uncles, of the insured.

(1) The insured shall have the right to designate the beneficiary or beneficiaries of the insurance, but only within the classes above provided, and shall, in the manner hereinafter described, at all times have the right to change the beneficiary or beneficiaries of such insurance without the consent of such beneficiary or beneficiaries, but only within the above classes. A person or persons so designated shall be known as the primary beneficiary or beneficiaries.

(2) The insured shall have the right also to designate any other person or persons, but only within the above classes, to whom the insurance shall be paid if the beneficiary or beneficiaries designated shall die before the insurance or any portion thereof shall be paid. A person or persons so designated shall be known as the contingent beneficiary or beneficiaries.

(3) If the insured fails to designate a beneficiary or if the beneficiary or beneficiaries, whether primary or contingent, die before the insurance or any portion thereof shall be paid, the insurance will, subject to the provisions of paragraph B hereof, be paid to the beneficiary or beneficiaries within the following classes and in the order named:

(a) If the insured shall be survived by a lawful widow or widower but without any child of him or her surviving, 100 percent to such widow or widower.

(b) If the insured shall be survived by a lawful widow or widower and a child or children of him or her surviving, 50 percent to the widow or widower and 50 percent to the child or children in equal shares.

(c) If the insured shall have no lawful widow or widower or children of him or her surviving but shall have a child or children of him or her surviving, 100 percent to the child or children in equal shares.

(d) If there shall be no lawful widow or widower or children of the insured of him or her surviving, 100 percent to the parent or parents of the insured in equal shares.

(e) If there shall be no lawful widow or widower, child or parent of him or her surviving, 100 percent to the brothers, sisters, grandparents and grandchildren of the insured in equal shares.

The persons in these classes shall be known as the schedule beneficiaries. As used in this subdivision (3), the term "child" includes a

posthumous child and a child legally adopted by the insured, and the term "parent" includes a step-parent and a parent by adoption.

B. The right of any beneficiary to payment of the insurance, or any unpaid installment thereof, shall be conditioned upon his or her being alive to receive payment. No person shall have a vested right to any such insurance or any installment of any such insurance. No insurance shall be paid to the heir or heirs or executors or administrators of the insured or of any beneficiary.

Any insurance or any installment thereof not paid to a primary beneficiary because of his or her death shall be paid to the schedule beneficiary or beneficiaries first or next entitled to priority, as hereinabove provided, unless a contingent beneficiary has been designated, in which event payment shall be made to the contingent beneficiary. Any such insurance or any installment thereof not paid to a contingent beneficiary because of his or her death shall be paid to the schedule beneficiary or beneficiaries first or next entitled to priority as hereinabove provided. If, however, the insured has designated more than one primary beneficiary or more than one contingent beneficiary and if such a primary beneficiary or contingent beneficiary dies before the insurance or an installment thereof, to which he or she may otherwise be entitled, is paid, such insurance or installment thereof shall be paid to the surviving primary or contingent beneficiary, as the case may be.

Any payments of insurance made to a person represented by the insured to be within the permitted classes of beneficiaries shall be deemed to have been properly made and to satisfy fully the obligation of the United States under this insurance policy.

ART. 8. A. *Designation and changes of beneficiary.* The designation of a beneficiary or the change in a designation of beneficiary shall be in writing upon a form or forms and in a manner prescribed by the Administrator, signed by the insured, witnessed either by the Shipping Commissioner or a licensed officer of the vessel, and shall contain the name, address and relationship of the beneficiary to the insured. No designation of a beneficiary and no change of a beneficiary shall be valid unless the instrument containing the designation or change is received by the Administrator at his field office, 99 John Street, New York, N. Y. *Provided, however, That the instrument when received shall be considered as valid as of the time of its execution.* Whenever it shall appear to the satisfaction of the Administrator that unusual circumstances existed preventing or substantially preventing the designation or change of beneficiary in the manner or form hereinabove set forth and that the interests of justice would be served, he may waive or disregard the failure to comply with such manner and form and recognize as valid an act intended as a designation or a change of beneficiary. The recognition as valid by the Administrator of such an act shall be conclusive and binding upon all persons and payment or payments pursuant thereto shall be a *pro tanto* discharge of the obligation of the United States under this Policy.

B. *Continuing designation.* As to any individual insured under the Second Seamen's War Risk Policy form as amended or changed from time to time, the beneficiary or beneficiaries first designated by such insured to receive the proceeds of the insurance provided by such form shall (subject to the limitations of paragraph B, Article 7 hereof), if properly designated, continue to be the beneficiary or beneficiaries of any subsequent insurance provided by such form without further designation unless and until such initial designation is effectively revoked or changed. In the event of an effective revocation unaccompanied by a new designation, the insurance proceeds shall be disposed of in

accordance with the provisions of paragraph A, subdivision (3), Article 7, hereof. In the event of an effective change of beneficiary or beneficiaries, the new beneficiary or beneficiaries so designated shall for all purposes, including the purposes of this paragraph, be considered as the initial designee or designees, and such designation shall continue to be effective as to all insurance provided by this form of Policy until revoked or changed. Subsequent revocations and changes shall for all purposes be treated as would be the preceding revocations or changes, if any.

ART. 9. *Claims.* No claim for insurance for loss of life shall be recognized unless presented in writing to the Insurer. Any payment or payments of the insurance or the installments thereof made prior to the presentation of claim shall be conclusively deemed to have been properly made under this Policy and in complete discharge of the obligation of the United States under this Policy to the extent thereof.

ART. 10. *Time for payment of insurance for loss of life.* Unless extended by the provisions hereinafter contained, payment of the insurance for loss of life shall be made within ninety days after the death of the insured is established in a manner satisfactory to the Administrator or the Maritime War Emergency Board, but payment may be made prior to the expiration of such ninety days at the discretion of the Administrator. The time for payment may be extended without penalty or interest for that period of time consumed by the Administrator in establishing the identity or the location of the beneficiary or beneficiaries, and should any conflicting claims for payment be presented to the Administrator, payment of the insurance may be withheld and the time for payment thereof extended without any penalty or obligation to pay interest until such claims are duly adjudicated or otherwise withdrawn, settled or compromised to the satisfaction of the Administrator.

ART. 11. *Proof of death.* The time and facts of death of any insured shall be established in a manner satisfactory to the Administrator; and his determination of the time and facts of death shall be binding and conclusive against all persons for all purposes of this Policy. If, however, payment of a part of the insurance for loss of life has been made and it appears that the insured is alive, payment of the balance of the insurance for loss of life shall not be made, but the payments of insurance in whole or in part theretofore made shall not be recovered, except where such payments were induced by wilful misrepresentation or fraud either by the beneficiary or any other person. The part so paid shall, however, be a discharge to the extent thereof of any other obligation under this Policy, including the obligation to pay benefits under Article 17 hereof, to the insured or any other person.

ART. 12. *Disability and dismemberment.*

A. *Disability.* "Disability" as that term is used in this Policy means incapacity because of injury proximately caused by the risks insured against herein which necessarily and continuously prevents the insured from performing any and every kind of duty pertaining to his occupation at the time of injury.

(1) If an insured suffers disability he shall be paid benefits at the rate of \$100 a month, beginning with his return to the continental United States, excluding Alaska, until the Administrator determines that the disability has ceased or until a total of \$5,000 is paid, whichever first occurs.

(2) If the Administrator determines at any time during the period such monthly benefits are payable that the insured has received maximum medical treatment for such disability and that such disability is, therefore, permanent in quality (loss of both hands, or both arms, or both feet, or both legs, or both

eyes, or combination of any two thereof, will be conclusively presumed by the Administrator to constitute a disability permanent in quality), he shall notify the insured of such facts and the insured shall have the option of

(a) continuing to receive such monthly benefits at the rate of \$100 a month until the aggregate of all the monthly benefits paid to him both before and after such determination total \$5,000, or

(b) receiving in a lump payment the sum of \$5,000, less the total of the monthly benefits paid to him prior to such determination.

(3) In the event the insured elects after such determination to accept payments for such disability under subdivision (2) (a) hereof and if when the total of \$5,000 has been paid him as therein provided, the insured claims in writing, and establishes to the satisfaction of the Administrator, that because of the same injury he is incapable of performing, for remuneration or profit, any work or engaging in any business or occupation, then he shall be paid further benefits at the rate of \$100 a month until the Administrator determines such incapacity has ceased or until a total of \$2,500 is paid, whichever first occurs.

B. *Dismemberment, including loss of function.* If the Administrator determines that the insured, as a proximate result of the risks insured against herein, has suffered a dismemberment or loss of function of the type set forth below, not, however, amounting to disability which the Administrator determines to be permanent in quality, the Insurer will pay to the insured additional benefits measured by the following percentages of the Principal Sum. Such benefits shall be in addition to the benefits paid under subdivision (1), paragraph A hereof, but the aggregate of such benefits for disability, dismemberment, and loss of function shall not exceed the Principal Sum.

(1) Member lost:	Percentum
(a) Arm	65
(b) Leg	65
(c) Hand	50
(d) Foot	40
(e) Eye	35
(f) Thumb	15
(g) First finger	10
(h) Great toe	9
(i) Second finger	5
(j) Third finger	5
(k) Toe other than great toe	2½
(l) Fourth finger	2½

(m) *Loss of hearing:* for complete loss of hearing of one ear, 12½%; for the complete loss of hearing of both ears, 50%.

(n) *Phalanges:* for loss of more than one phalange of a digit, the same as the loss of the entire digit; for loss of the first phalange one-half the loss of the entire digit.

(o) *Amputated arm or leg:* for an arm or leg, if amputated at or above the elbow or the knee, the same as for the loss of the arm or leg; if amputated between the elbow and the wrist or the knee and the ankle, the same as for the loss of a hand or foot.

(p) *Binocular vision or per centum of vision:* for loss of binocular vision or for eighty per centum or more of the vision of an eye shall be the same as for loss of the eye.

(q) *Two or more digits:* for loss or loss of use of two or more digits, or one or more phalanges of two or more digits, or a hand or foot, may be proportioned to the loss of use of the hand or foot occasioned thereby but shall not exceed the payment for loss of a hand or foot.

(r) *Total loss of use:* for permanent total loss of use of a member shall be the same as for loss of the member.

(s) *Partial loss or loss of use:* payment for permanent partial loss or loss of use of a member may be for proportionate loss of the member or loss of use of the member.

(t) *Disfigurement:* proper and equitable payment for serious facial or head disfigurement, not to exceed 50%.

(u) *Total or partial loss or loss of use of more than one member or parts of members.* In any case in which there shall be a loss or loss of use of more than one member or parts of more than one member set forth in subdivision (a) to (t) both inclusive, hereof, but not amounting to permanent total disability, payment shall be made for the loss or loss of use of each such member or part thereof, however, not exceeding the Principal Sum, and except that where the injury affects only two or more digits of the same hand or foot, subdivision (q) hereof shall apply.

(2) The amount determined by the Administrator to be due the insured for dismemberment or loss of function shall

(a) if \$750 or less, be paid the insured in a lump sum as soon as practicable.

(b) if more than \$750 be paid, at the option of the insured, in a lump sum or in monthly installments of \$100 beginning with the month next succeeding the last monthly payment made for disability pursuant to the provisions of subdivision (1), paragraph A hereof, or as soon thereafter as is practicable. The insured shall notify the Administrator in writing of the desired method of payment immediately upon receipt of the Administrator's determination that the insured is entitled to payment for dismemberment or loss of function under this paragraph. Should the Administrator not receive such written notice within thirty days, it shall be conclusively presumed that the insured desires payment in a lump sum and the Insurer will act accordingly.

(3) If the insured elects under subdivision (2) (b) hereof to accept payment for dismemberment or loss of function in monthly installments, the number of installments due shall be increased in number by 10%, but in no event shall the increase be less than one installment of \$100.

C. *Injury increasing disability.* The Administrator in determining if disability, dismemberment or loss of function exists, or if found to exist, the quality thereof, will not take previous disabilities, dismemberments or losses of function into account. If, however, such previous condition was insured under the Second Seamen's War Risk Policy, the insured shall receive with respect to the two claims an aggregate sum not less than he would have been entitled to under either subdivision (2) and (3) of paragraph A or paragraph B hereof, had the injuries causing both disabilities been received at the same time.

D. *Disability shall not include incapacity directly resulting from bodily or mental infirmity or disease of any kind.* Nor shall benefits be paid for dismemberment or loss of function directly resulting from bodily or mental infirmity or disease of any kind.

E. If the insured elects after a determination by the Administrator that he is entitled to benefits under either subdivision (2) paragraph A or paragraph B hereof to accept payments for such disability, dismemberment, or loss of function, as the case may be, in installments, and if the insured dies from a cause not insured against herein before he has received the last installment, the remainder which he would have received under such subdivision had he survived shall be paid to the person or persons who would have received his life insurance hereunder, subject, however, to all the conditions, stipulations, and provisions contained in this Policy governing the disposition and payment of the insurance for loss of life.

The right of the insured to payment of the benefits provided for herein shall be conditioned upon his or her being alive to receive payment, and benefits shall not be paid to the heirs, executors, or administrators of the insured, or of any other person.

ART. 13. *Physical examination.* The Insurer shall have the right to require an examination of the person of the insured when and so often as it may reasonably require and also the right and opportunity in case of death to make an autopsy where it is not forbidden by law.

ART. 14. *Personal effects defined.* The term "personal effects" includes personal property reasonably necessary or required for use on board the vessel as well as those articles ordinarily or customarily carried on board for the personal use, wear, comfort, or convenience of the insured, either while on board, while in a foreign port, or upon his return to the home port. Articles of apparel, whether used for ornamentation or otherwise, and articles used in the performance of duties on board, are also included. Articles carried for the purpose of business foreign to the actual duties of the insured, or for resale, are excluded.

ART. 15. *Amount of payment for loss of, or damage to, personal effects.*

A. In the event of total loss of, or damage (equivalent to total loss) to the personal effects of any insured, reimbursement for such total loss or damage shall be as follows:

- (a) Licensed Officer, \$500.
- (b) Unlicensed Crew Member, \$300.
- (c) U. S. Merchant Marine Cadet or Cadet Officer, \$300.

If an insured shall establish the loss of a sextant which he carried aboard the vessel, he shall be paid \$100 extra. If the insured shall establish the loss of binoculars, tools or similar professional equipment which he carried aboard the vessel, he shall be paid \$50 extra. A total loss shall be determined without reference to apparel actually worn by the crew member at the time of the loss or damage.

B. In the event of a partial loss of or damage to the personal effects of an insured, he shall be reimbursed for the actual value of such effects lost or damaged to the extent of such loss or damage, but in no event shall the payment for such effects lost or damaged exceed the amounts set forth in paragraph A of this Article 15 for which total loss or damage is payable.

ART. 16. *Death of an insured prior to payment for loss of or damage to personal effects.* Payment for loss of or damage to personal effects shall be conditioned upon the insured being alive to receive payment, and shall not be payable to his heirs, executors, administrators or assigns.

ART. 17. *Detention and repatriation benefits.*

A. If it is established to the satisfaction of the Administrator, who, for this purpose, may rely on any official information furnished him by any department or agency of the United States Government, that the insured's vessel has been destroyed or abandoned as a result of a risk or peril insured against herein and that the insured has survived such an event and is not detained (in the sense that that term is used in paragraph B, Article 17 hereof), monthly benefits shall be paid as hereinafter provided in this paragraph A. Such monthly benefits shall be equal to the monthly basic wage of the insured (including special emergency wage), as shown by the applicable Shipping Articles at the time he signed on or, if not on Articles, by his contract of employment for the voyage at the time such contract was first made. Such monthly benefits shall be paid from the date of such destruction or abandonment of the vessel, which, for the purposes hereof, shall be the date recognized by the Administrator when the obligation to pay wages under the applicable Shipping Articles or contract of employment terminated, or which is otherwise fixed by the Administrator as the date of such destruction or abandonment,

and shall continue until the insured arrives at a continental port of the United States.

Such monthly benefits shall be paid to the person or persons, if living, to whom the insured's wages are allotted under the applicable Shipping Articles. Such allottee or allottees shall receive that portion of the monthly benefits which is equal in amount to the insured's monthly wage which has been allotted, provided such latter amount does not exceed the amount of the monthly benefits. If no such allotment has been made, or if the person to whom the insured has allotted his wages is dead or dies, or if an allotment has been made and the allottee is living but the amount of monthly benefits exceeds the amount which can be paid to such allottee, the benefits or the remainder thereof shall be held by the Administrator for the benefit of the insured until his return to the continental United States, excluding Alaska, with the right to the Administrator, however, to pay such benefits or the remainder thereof in whole or in part to any person or persons named in subdivision (3), paragraph A, Article 7 of these Stipulations and Conditions, including the allottee or allottees aforementioned, and such payment when made shall be conclusively presumed to have been made for the account of the insured.

B. If it is established to the satisfaction of the Administrator, who, for this purpose may rely on any official information furnished him by any department or agency of the United States Government, that the insured is detained, either by capture by an enemy of the United States or by internment, but not otherwise, monthly benefits shall be in the same amount or amounts and shall be held or paid in the same manner and for or to the same person or persons as set forth in paragraph A, Article 17 hereof. Such monthly benefits shall be paid during such period of detention but for no longer than two years beginning with the date that the insured suffered such detention as determined by the Administrator.

C. If, in the opinion of the Administrator, it is uncertain

(1) Whether the insured survived or died as a proximate result of the occurrence of a risk or peril insured against, or

(2) Whether the insured survived or died as a proximate result of the occurrence of an event which may be a risk or peril insured against, but as to which, in the opinion of the Administrator, there is also uncertainty, or

(3) Whether the insured's vessel has been destroyed or abandoned as a proximate result of a risk or peril insured against, although it is certain, in the opinion of the Administrator, that the insured is alive, or

(4) Whether the insured is detained (in the sense that that term is used in paragraph B, Article 17 hereof), although it is certain, in the opinion of the Administrator, that the insured is alive, monthly benefits shall be paid as hereinafter provided in this paragraph C. Such monthly benefits shall be in the same amount or amounts and shall be held or paid in the same manner and for or to the same person or persons as set forth in paragraph A, Article 17 hereof. Such monthly benefits shall be paid from the date, as fixed by the Administrator, the insured, if alive, was probably separated from his vessel under any of the respective situations set forth above and shall continue until

(a) The Administrator determines that the insured is entitled to benefits as provided in paragraph A, Article 17 hereof, in which event monthly benefits shall thereafter be paid as provided in paragraph A, Article 17 hereof, or

(b) The Administrator determines that the insured is entitled to benefits as pro-

vided under paragraph B, Article 17 hereof, in which event monthly benefits shall thereafter be paid as provided in paragraph B, Article 17 hereof, or

(c) The death of the insured is established in a manner satisfactory to the Administrator, or

(d) The issuance by the Maritime War Emergency Board of certificate of presumptive death of the insured, or

(e) Three months shall have elapsed, in which event benefits shall cease: *Provided, however,* That if the Administrator determines that at any time after such benefits have ceased the insured is entitled to benefits or has been entitled to benefits as provided in either paragraph A or paragraph B, Article 17 hereof, monthly benefits shall thereafter be paid as provided in paragraph A or paragraph B, Article 17 hereof, as the case may be, with proper adjustment for the period that the insured was entitled to be paid such benefits prior to the Administrator's determination thereof and following the expiration of such three months period, whichever first occurs.

D. If, after the expiration of the two year period mentioned in paragraph B, Article 17 hereof, and it appearing to the satisfaction of the Administrator that the insured is still being detained, the Maritime War Emergency Board, with the concurrence of the Administrator, may determine that further detention benefits shall be paid for an additional period or periods of time and in amounts which the Maritime War Emergency Board, with the concurrence of the Administrator, deems just and proper.

E. If, while the insured is being paid benefits under either paragraph A or B or C or D, Article 17 hereof, the Administrator determines that the insured was not, or is no longer, entitled to benefits under the provisions of such paragraph, then the payment of such benefits shall cease: *Provided, That if the Administrator determines the insured is entitled to benefits under the provisions of any other of such paragraphs, the insured shall thereafter be entitled to benefits under the provisions of such paragraph.*

F. In no event shall benefits be paid under paragraphs A, B, C or D, Article 17 hereof, beyond three months after the termination of the present war shall have been proclaimed by the President or beyond the time that the insured shall either refuse without good cause to return to the continental United States, excluding Alaska, or accept employment on another vessel for a purpose other than to be repatriated.

G. In no event shall the insured, upon his return to the continental United States, excluding Alaska, be entitled to receive, under paragraph A or B or C, Article 17 hereof, benefits exceeding a sum equal to twelve months' basic wage (including special emergency wage). In determining this limitation upon the amount which the insured, upon his return to the continental United States, is entitled to receive under paragraphs A, B or C of Article 17 hereof, benefits paid to his allottees or to the persons named in subdivision (3), paragraph A, Article 7 hereof, shall not be considered.

H. The right of the insured to be paid benefits or to have benefits paid on his account, under paragraphs A, B, C or D, Article 17 hereof, shall be conditioned upon the insured actually being alive during the period such benefits accrued or were paid. Such benefits under no circumstances shall be paid or considered payable to the heirs, executors or administrators of the insured or of any allottee or schedule beneficiary of the insured: *Provided, however,* That benefits paid to the allottees or schedule beneficiaries

before the fact of death becomes known to the Administrator shall not be recovered.

ART. 18. *Payment constituting a discharge.* A payment by the Administrator to the person or persons determined by him to be entitled to all or any of the proceeds of this Policy shall constitute a *pro tanto* discharge of the obligations under this Policy of the United States of America, the War Shipping Administration, and the Administrator.

ART. 19. *Non-assignability.* Neither this Policy nor any part thereof nor any insurance, benefits or allowances payable hereunder shall be assignable.

ART. 20. *Amount permitted to be paid agents or attorneys.* Except in the event of legal proceedings arising under or in connection with this Policy, payment to any attorney, agent or any other person acting for or on behalf of an insured, beneficiary or recipient, by such insured or any beneficiary or recipient, for such assistance as may be required in the preparation of the claim, shall not exceed \$25.00 in any one case, except that the Administrator may approve an additional amount in those cases in which he feels the nature of the services rendered warrant it. At any time during the pendency of any litigation arising under or in connection with this Policy or whenever a judgment or a decree shall be rendered in an action or proceeding arising under or in connection with this Policy for the payment of any insurance, benefits or allowances under this Policy, the court in which such action or proceeding is pending or in which a judgment or decree has been rendered may and is requested to allow such fees for the attorney or attorneys of the person or persons who are parties to such action or proceeding or who have obtained a judgment or a decree, as it may determine to be just compensation for the services rendered. Before the payment of any insurance, benefits or allowances hereunder, or any judgment or decree, as aforesaid, the Administrator may require proof to be submitted to him in the form of an affidavit, or in any other manner which to him seems fit, by the insured, the beneficiary, the recipient, or holder of any judgment or decree, or his attorney, agent, or any other person acting for or on their behalf, or any or all of them, that the payment previously or thereafter to be made to such attorney, agent or other person does not exceed the sum herein specified or allowed by the court, as the case may be.

ART. 21. *Notice of loss and claim.* Notice of disability (including dismemberment and loss of function), and claim for payment therefor under this Policy shall be given to the Administrator within ninety days after the happening of the event causing the disability (including dismemberment and loss of function), or ninety days after the insured returns to the continental United States, excluding Alaska. Notice of loss of, or damage to, personal effects and claim for payment therefor under this Policy shall be given to the Administrator within ninety days after the happening of the event causing the loss, or ninety days after the insured returns to the continental United States, excluding Alaska.

ART. 22. *Limitation of suit.* No action or suit upon this Policy shall be valid unless commenced within two years from the time the insurance, benefits or allowances conferred by this Policy are payable, except that

(a) an action or suit by the insured may be commenced at any time within two years after he returns to the United States or the termination of the present war shall have been proclaimed by the President, whichever first occurs, and

(b) the time during which a person, other than the insured, is in enemy occupied territory shall be excluded from the two-year period as aforesaid.

ART. 23. *Deviation and change of voyage.* This insurance shall not be affected by a

deviation or change of voyage of the vessel, except that the Administrator may require the payment of an additional premium.

ART. 24. *"Administrator" defined.* Whenever the term "Administrator" is used in this Policy that term shall include the person who is the Administrator of the War Shipping Administration at the time of the issuance of this Policy and his successor or successors in office, and such other person or persons employed by the Administrator, the War Shipping Administration, or the United States of America, in the War Shipping Administration to whom the Administrator may delegate duties or powers for the administration of the insurance. Wherever there is mention in this Policy of a decision, determination or exercise of discretion by the Administrator, such terms shall include a decision, determination or exercise of discretion of a person or persons to whom the Administrator may delegate such power or powers and shall not be taken to mean that the personal act of the Administrator is required.

ART. 25. *Multiple claims against the United States.*

A. It is the intent of the Insurer in the issuance of this Policy to avoid providing or paying any benefit or sum of money for any loss, event or occurrence to the extent that legal liability to pay for the same loss, event or occurrence otherwise exists on the part of the United States of America, the War Shipping Administration, the Administrator, the owner of a vessel under time or bareboat charter to the War Shipping Administration, the operator of a vessel owned by the War Shipping Administration or under time or bareboat charter to it, or the agent of the War Shipping Administration in the operation of such a vessel, and this Policy shall be construed to give effect to such intent. By the Acceptance of the insurance protection afforded by this Policy, by the designation of any beneficiary thereunder or by otherwise acting pursuant to the terms of this Policy, the insured, in behalf of himself, his personal and legal representatives, administrators, executors, heirs at law, next of kin, dependents and beneficiaries, acknowledges such intent and agrees to the conditions and provisions of this Policy, including specifically those contained in this Article 25. Similarly, any beneficiary or person to whom any benefit or sum of money is paid under the provisions of this Policy does, by making claim therefor or by the acceptance thereof, acknowledge such intent and agrees to the conditions and provisions of this Policy, including specifically the conditions and provisions of this Article 25.

B. If any final judgment or award is obtained by any person against the United States of America, the War Shipping Administration, the Administrator, the owner of a vessel under time or bareboat charter to the War Shipping Administration, the operator of a vessel owned by the War Shipping Administration or under time or bareboat charter to it, or the agent of the War Shipping Administration in the operation of such a vessel by reason of the loss of life, disability (including dismemberment and loss of function), loss of or damage to personal effects, or detention (including the occurrence of other situations hereinbefore provided) of the insured but based on a claim or cause of action other than one under this Policy, and if such respective loss of life, disability (including dismemberment and loss of function), loss of or damage to personal effects, or detention (including the occurrence of other situations hereinbefore provided) of such insured, either separately or combined, also constitutes or forms the basis of a claim payable under this Policy, the amount which otherwise would have been payable hereunder because of such claim shall be reduced by an amount equal

to the amount of such final judgment or award, unless such person, in a form and manner satisfactory to the Administrator, effectively and validly releases or discharges the United States of America, the War Shipping Administration, the Administrator, the owner of a vessel under time or bareboat charter to the War Shipping Administration, the Administrator, the operator of a vessel owned by the War Shipping Administration or under time or bareboat charter to it, or the agent of the War Shipping Administration in the operation of such a vessel from their respective obligations under such final judgment or award to the extent of the amount of such claim payable under this Policy.

C. The payment and acceptance of any benefit or sum of money under this Policy shall constitute a waiver, release, acceptance, discharge and satisfaction, to the extent of such payment, of any and all claims, causes of actions, judgments or awards against the United States of America, the War Shipping Administration, the Administrator, the owner of a vessel under time or bareboat charter to the War Shipping Administration, the operator of a vessel owned by the War Shipping Administration or under time or bareboat charter to it, or the agent of the War Shipping Administration in the operation of such a vessel other than under this Policy but arising out of the respective loss of life, disability (including dismemberment and loss of function), loss of or damage to personal effects, or detention (including the occurrence of other situations hereinbefore provided) for which such benefit or sum of money was paid and accepted under this Policy.

D. This Article 25 shall not apply to claims for wages, maintenance and cure where the right to such items arises under the general maritime law of the United States and not under this Policy, but this Article 25 shall apply to claims for wages to the extent that the insured, his allottee or any other person who is entitled to receive or has received benefits or sums of money under Article 17 hereof, and to claims for maintenance to the extent and for the period that the insured is entitled to receive or has received benefits or sums of money under paragraph A of Article 12 hereof.

ART. 26. *Amendments and modifications.* If the Maritime War Emergency Board determines that the Second Seamen's War Risk Policy should be amended and modified to provide for increased hazards and risks undertaken by the Masters, Officers and Crews of vessels of the American Merchant Marine arising from important changes or developments in war conditions, or if the Maritime War Emergency Board determines that the Second Seamen's War Risk Policy should be amended and modified to correct injustices or cases of hardship arising under and by virtue of its present terms, the Administrator agrees and reserves the right to amend or modify the Second Seamen's War Risk Policy, including this particular Policy, in such manner and in such respects as prescribed by the Maritime War Emergency Board. If the Maritime War Emergency Board further determines, with the concurrence of the Administrator, that it is necessary and proper to make such amendments or modifications retroactive in effect in order to avoid serious inequalities the Administrator agrees and reserves the right to make any such amendment or modification applicable to any and all cases or claims arising under the Second Seamen's War Risk Policy, including this particular Policy, irrespective of whether benefits have or have not been claimed or paid thereunder, in such manner and in such respects as prescribed by the Maritime War Emergency Board, with the concurrence of the Administrator.

[Decision 2 A]

BONUS

The Maritime War Emergency Board today announces this Decision with respect to Bonus.

Article I—*Voyage Bonus, Area Bonus and Port Attack Bonus Required*

Voyage bonus, area bonus, and port attack bonus shall be paid under this Decision to licensed and unlicensed personnel employed on United States flag vessels of the American Merchant Marine.

Article II—*Voyage Bonus Classifications*

Classification I—(High Bonus)—100%. A. Trans-Atlantic voyages (and extensions thereof), other than voyages or parts of voyages in Classifications II and III, whether to Europe, Africa, Asia, or elsewhere, outward and homeward.

B. Trans-Pacific voyages (and extensions thereof), other than voyages or parts of voyages in Classifications II and III, whether to Asia, Australia, Africa or elsewhere, outward and homeward; specifically including voyages from Pacific ports of North America to ports in Alaska if the vessel proceeds to Alaska directly across the Pacific rather than by a route which parallels the Coast outside of the Inland Passage as defined in Classification III, Paragraph A.

C. Voyages, other than voyages or parts of voyages in Paragraph B of this Classification or in Classifications II and III, between Pacific ports in the United States, Canada and Alaska, while west of 136° west longitude.

D. Voyages, other than voyages or parts of voyages in Classifications II and III, between ports in Iceland, Greenland, North America, South America, the West Indies and Central America.

E. Voyages, other than voyages or parts of voyages in Classifications II or III, in the Gulf of Mexico.

Classification II—(Low Bonus)—40%. A. Voyages or portions of voyages, other than voyages or parts of voyages in Classifications I and III, between Pacific ports in the United States, Canada and Alaska, while east of 136° west longitude.

B. Voyages or portions of voyages, other than voyages or parts of voyages in Classification III, between Pacific ports in North America (excluding Alaska), South America and Central America. For the purpose of this Classification, the Pacific entrance to the Panama Canal, the Pacific entrance to the Strait of Magellan, and the crossing of a line drawn due south from Cape Horn shall be considered Pacific "ports".

Classification III—(No Bonus). A. Voyages in the inland passage to Alaska consisting of the following waters:

i. Waters to the eastward of a line drawn from Cape Flattery, Washington, to Pachena Point Lighthouse, Vancouver Island, and all waters to the northward and eastward of Vancouver Island.

ii. Waters to the eastward of a line drawn from Cape Scott, Vancouver Island, to Cape St. James, Queen Charlotte Islands, including the waters of Queen Charlotte Islands (Hecate Strait).

iii. Waters to the eastward of a line drawn from Cape Know, Queen Charlotte Islands, to Cape Muzon, Dall Island (Dixon Entrance).

iv. Waters to the eastward of a coastal line drawn from Cape Muzon to Cape Bartolome and thence to Cape Ommaney, and Cape Edgecumbe at the entrance to Sitka Sound.

v. Waters to the eastward of a coastal line drawn from Cape Edgecumbe to Cape Spencer, the entrance to Cross Sound.

B. Voyages between ports not south of New York nor north of Boston are included within this Classification when vessels proceed via Long Island Sound and do not proceed east of 70° west longitude.

C. Any portion of any voyage east of a line drawn in the Straits of Juan de Fuca from Cape Flattery, Washington to Pachena Point, Vancouver Island.

D. Any portion of any voyage while in the St. Lawrence River west of Father Point.

E. Any portion of any voyage while transiting the Panama Canal.

F. Any portion of any voyage while in the Strait of Magellan. The boundaries of the Strait of Magellan are as follows:

(a) *Atlantic boundary line*: A line running in a southerly and easterly direction from Direction Hill (Cerro Direccion) on the northern shore of the First Narrows, to Anegada Point located on the southern shore of the First Narrows;

(b) *Pacific boundary line*: A line running in a northerly and easterly direction from Felix Bay Light Tower located on an island in Felix Bay off the southerly shore of Sea Reach (Paso Del Mar), to the Fairway Island Light Pyramid located on the west side of the largest Fairway Island.

G. Voyages wholly within the Great Lakes; and voyages, or portions thereof, on inland waters, harbors, rivers, sounds, bays and gulfs of the United States as defined in "Rules & Regulations, series No. 16, Bureau of Marine Inspection & Navigation, Department of Commerce, Pilot Rules for certain inland waters of the Atlantic and Pacific Coasts and the Coast of the Gulf of Mexico" dated May 28, 1940.

H. Voyages or portions thereof while in ports or other inland waters of the Western Hemisphere, either as specifically defined in this Classification or as may be defined from time to time by the Maritime War Emergency Board. The Western Hemisphere for the purposes of this paragraph H shall include the Hawaiian Islands and Bermuda but shall exclude:

- (1) Iceland
- (2) Greenland

(3) Alaska (west of 136° west longitude) and the Aleutian Islands

(4) The Caribbean Sea and West Indies (which is defined to exclude the Continental United States, but to include the East Coast of Central and South America north of 4° north latitude, and also to include all of the islands in the area bounded on the south by 4° north latitude on the east by 59° west longitude, on the north by 28° north latitude and

on the west by the east coasts of North, Central and South America).

Article III—*Amount of Voyage Bonus*

Voyage bonus shall be based on transit of areas of risk and computed as follows:

A. Voyage bonus shall be computed on basic and special emergency wages, excluding overtime, penalty time and all other extra compensation.

B. Voyage bonus equal to 100% of wages shall be paid for voyages in Classification I, but not in any case less than \$100 per month or a proportionate sum for a part thereof.

C. Voyage bonus equal to 40% of wages shall be paid for voyages or portions of voyages in Classification II, but not in any case less than \$40 per month or a proportionate sum for a part thereof.

D. No voyage bonus shall be paid for voyages or portions of voyages in Classification III.

Article IV—*Time When Voyage Bonus Payments Start and Stop*

A. Voyage bonus payments shall become effective at midnight prior to the day during which the vessel departs from waters included in Classification III and enters the high seas.

B. Voyage bonus payments shall cease at midnight of the day during which the vessel departs from the high seas and enters waters included in Classification III.

C. Changes in voyage bonus rates between Classifications I and II during a voyage or part of a voyage while on the high seas are effective as of the completed hour, local mean time, of the day of the crossing of the line demarcating the new Classification.

D. Voyage bonus payments on vessels on a coastwise voyage, or on the coastwise portion of a foreign voyage, putting into a port within the continental limits of the United States for purposes of safety from enemy action, pursuant to the orders and directions from the Navy Department, or the consequences of war, and not for the purposes of loading or discharging cargo, or otherwise performing the vessel's business, shall cease as of the completed hour, local mean time, when the vessel enters the protective limits of the harbor or the inland waters of continental United States from the high seas, and shall commence as of the completed hour, local mean time, when the vessel departs from the protective limits of the harbor or the inland waters of continental United States and enters the high seas.

Article V—*Area and Port Attack Bonus*

A. *Area bonus*. In addition to voyage bonus payable under Articles II, III and IV, area bonus at the rate of \$5.00 per day shall be payable to each crew member while in the service of his vessel within any of the following areas:

(1) *Murmansk Area*—that part of the Atlantic and Arctic Oceans east of Greenwich Meridian and west of 60° east longitude and north of 60° north latitude.

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(2) *Mediterranean Area*—the Mediterranean Sea east of a line from Cape Spartel to Cape Trafalgar, including the Adriatic and Aegean Seas.

(3) *South Seas Area*—the area bounded on the north by 20° north latitude, on the east by 170° east longitude, on the south by 20° south latitude and on the west by 120° east longitude.

B. Such area bonus shall commence at midnight preceding the day of entering any of the above areas and shall cease at midnight of the day when a vessel departs from any such area.

C. *Port attack bonus*. In addition to voyage and area bonus, one port bonus of \$125 shall be payable to each crew member for each port or anchorage, whether within or without any of the areas specified in Paragraph A above, which experiences enemy attack during the presence of his vessel in such port or at such anchorage.

Article VI—Periods During Which Voyage, Area, and Port Bonus Payable

A. *During ordinary course of voyage*. Bonus is payable to a crew member of the vessel on which he is employed during the course of his employment aboard such vessel.

B. *When bonus payable after separation from vessel and during repatriation*. (1) If a crew member is separated from his vessel as the result of a peril described in Article 3 of the form of insurance policy attached to Decision 1 A, bonus continues payable to such crew member until midnight of the day on which he reaches a port.

(2) If a crew member is repatriated to the United States after separation from his vessel as a result of either:

(a) a peril referred to in paragraph (1) above,

(b) illness or injury incurred in the service of his vessel and not occasioned by his wilful misconduct, bonus shall be payable to such crew member during his repatriation from midnight of the day prior to which the vessel or other conveyance on which he is being repatriated departs until midnight of the day of arrival of such vessel or other conveyance at a continental United States port.

C. *When bonus not payable after separation from vessel*. (1) Bonus shall not be payable while a crew member is on land.

(2) Bonus shall not be payable during the period that a crew member is detained either by capture by an enemy of the United States or by internment.

(3) Bonus shall not be payable to a crew member:

(a) after voluntary termination of his employment aboard his vessel for a reason other than one set forth in Paragraph B (2),

(b) after desertion or discharge from his employment aboard his vessel,

(c) after a crew member accepts employment on another vessel for a purpose other than to be repatriated,

(d) after a crew member refuses without good cause to be repatriated to the United States.

D. *No double bonus*. If a crew member signs on the vessel on which he is

being repatriated, either as a crew member or workaway on such repatriating vessel, he shall not be entitled to bonus from such vessel in addition to bonus payable under Paragraph B of this Article VI.

E. *Death of a crew member*. Bonus shall not be payable for any period after death of a crew member.

Article VII—Effective Date

This Decision shall be effective on and after 12:01 A. M. of March 15, 1943. The provisions of this Decision shall not be retroactive.

Article VIII—Repeal

Decision No. 7, Revised, and all Amendments thereto and Clarifications thereof, previously issued by the Maritime War Emergency Board are repealed as of the effective date of this Decision, except as to any voyage, area and port bonus payable for any period prior to 12:01 A. M. of March 15, 1943. Any such voyage, area and port bonus shall continue to be payable under Decision No. 7, Revised.

MARITIME WAR EMERGENCY BOARD,

EDWARD MACAULEY, Chairman.

JOHN R. STEELMAN.
FRANK P. GRAHAM.

FEBRUARY 27, 1943.

[F. R. Doc. 43-4065; Filed, March 15, 1943; 4:30 p. m.]

[Decision 3 A]

PERSONAL EFFECTS WAR RISK INSURANCE

The Maritime War Emergency Board today announces this decision with respect to loss of or damage to personal effects.

Article I—Personal Effects Insurance Coverage

Crew members of all merchant vessels documented under the laws of the United States and covered by the Statement of Principles pursuant to which the Board was established shall be furnished war risk insurance protection with respect to their personal effects in the manner and to the extent provided in the form of insurance policy attached to Decision 1 A, such policy being known as the Second Seamen's War Risk Policy. The obligation to furnish such insurance protection shall be deemed fulfilled by the procurement of an insurance policy in the form mentioned above from the War Shipping Administration. If such insurance protection is procured from another source, the obligation to furnish such insurance protection shall not be deemed fulfilled if and to the extent that benefits that are lawfully payable under and pursuant to the terms of the insurance policy aforementioned are not paid. This Decision does not apply to alien crew members who do not reside in the continental United States and who are employed aboard any such merchant vessel engaged in a shuttle service or voyage between foreign ports, except to the extent and

with such modifications as may be agreed upon and set forth in their contract of employment.

If the Board, by reason of important changes or developments in war conditions which affect the hazards and risks undertaken by the crew members of the aforementioned merchant vessels, determines that the form and terms of the aforesaid policy should be amended or modified, or if the Board determines that any of the present terms of the aforesaid form of policy are productive of serious injustices or hardship, it may by decision require that additional or different insurance protection be afforded to crew members of all such merchant vessels and prescribe appropriate amendments or modifications of the form of policy attached to Decision 1 A accordingly, all in such manner and to such extent as the Board considers advisable. If the Board further determines that such action is necessary and proper in order to avoid unjust discrimination in those cases which have theretofore arisen, it may require, with and upon the concurrence of the Administrator of the War Shipping Administration, that any such additional or different insurance protection and any such amendment or modification of the form of the aforesaid policy be made applicable to such cases, irrespective of whether benefits in such cases have or have not been claimed or paid under and pursuant to the terms of such policy then in effect, all in such manner and to such extent as the Board considers advisable.

Article II—Effective Date

This decision and the form of insurance policy attached to Decision 1 A shall, in so far as such policy relates to insurance for loss of or damage to personal effects, be effective on and after 12:01 A. M. of March 15, 1943.

Article III—Repeal

Decisions 3 and 8 and all supplements, amendments, clarifications and memoranda pertaining thereto previously issued by the Maritime War Emergency Board are repealed as of the effective date of this decision, except in connection with loss of or damage to personal effects arising from a peril occurring prior to 12:01 A. M. of March 15, 1943. Such losses and reimbursement therefor shall continue to be governed and controlled by Decisions 3 and 8.

MARITIME WAR EMERGENCY BOARD,

EDWARD MACAULEY, Chairman.

JOHN R. STEELMAN.
FRANK P. GRAHAM.

JANUARY 28, 1943.

[F. R. Doc. 43-4066; Filed, March 15, 1943; 4:31 p. m.]

[Decision 4 A]

CERTAIN OFF-SHORE SMALL CRAFT OPERATIONS, ETC.

The Maritime War Emergency Board today announces this Decision 4 A with respect to certain off-shore emergency

operation of tugs and similar small craft, and with respect to vessels operating solely in the Hawaiian Islands trade.

Article I—Operations Covered

This Decision 4 A applies to:

1. United States flag tugs and similar small craft employed on the high seas in rescuing, wrecking or salvage work under instructions given or confirmed by the War Shipping Administration.

2. United States flag vessels of the American Merchant Marine operating solely in trade in the Hawaiian Islands.

Article II—Crew War Risk Life and Disability Insurance

Every Master, Officer or crew member employed aboard a vessel covered by this Decision shall be insured against loss of life and disability (including dismemberment and loss of function) in the amounts and under the terms and conditions specified in Decision I A.

Article III—Bonus

Every Master, Officer or crew member employed aboard a vessel covered by this Decision shall be paid war risk bonus in the amounts and under the terms and conditions set forth in Decision 2 A: *Provided, however,* That on all tugs and similar craft covered by this Decision bonus payments shall become effective at the midnight or noon next preceding the hour on which the vessel proceeds on its employment, and shall terminate on the noon or midnight next succeeding the hour when the vessel is moored upon completion of its assignment; and that on all vessels in the Hawaiian Islands trade covered by this Decision bonus payments shall become effective at the noon or midnight next preceding the hour when the vessel departs from inland waters and enters the high seas, and shall terminate at the noon or midnight next succeeding the hour when the vessel departs from the high seas and enters inland waters. Bonuses, therefore, shall in no case be calculated upon a period of less than one-half day (12 hours).

Article IV—Loss of Personal Effects

Every Master, Officer or crew member employed aboard a vessel covered by this Decision shall be insured against loss of personal effects under the terms and conditions specified in Decision 3 A: *Provided, however,* That the amount of such insurance shall be \$200: And *provided further,* That if any Master, Officer or crew member shall establish that he carried on board his vessel professional equipment such as sextants, binoculars, tools and similar articles, and shall satisfactorily establish that such equipment is lost he shall be entitled to reimbursement for the value thereof but not in excess of an additional \$200.

Article V—Applicability of Decisions of the Board

All Decisions of the Maritime War Emergency Board, as Supplemented or Amended, shall be given effect for the purpose of further carrying out the provisions of these Decisions except in so far as said Decisions, Supplements or

Amendments are inconsistent with the provisions hereof.

Article VI—Effective Date

This Decision shall take effect as of 12:01 A. M., March 15, 1943.

MARITIME WAR EMERGENCY BOARD,

EDWARD MACAULEY,

Chairman.

JOHN R. STEELMAN.

FRANK P. GRAHAM.

MARCH 12, 1943.

[F. R. Doc. 43-4067; Filed, March 15, 1943; 4:31 p. m.]

[Decision 5 A]

DETENTION AND REPATRIATION BENEFITS INSURANCE

The Maritime War Emergency Board today announces this Decision with respect to Detention and Repatriation Benefits insurance.

Article I.—Detention and Repatriation Benefits Insurance Coverage

Crew members of all merchant vessels documented under the laws of the United States and covered by the Statement of Principles pursuant to which the Board was established, shall be furnished war risk insurance protection with respect to detention and repatriation (including similar cases) in the manner and to the extent provided in the form of insurance policy attached to Decision 1 A, such policy being known as the Second Seamen's War Risk Policy. The obligation to furnish such insurance protection shall be deemed fulfilled by the procurement of an insurance policy in the form mentioned above from the War Shipping Administration. If such insurance protection is procured from another source, the obligation to furnish such insurance protection shall not be deemed fulfilled if and to the extent that benefits that are lawfully payable under and pursuant to the terms of the insurance policy aforementioned are not paid. This Decision does not apply to alien crew members who do not reside in the continental United States and who are employed aboard any such merchant vessel engaged in a shuttle service or voyage between foreign ports, except to the extent and with such modifications as may be agreed upon and set forth in their contract of employment.

If the Board, by reason of important changes or developments in war conditions which affect the hazards and risks undertaken by the crew members of the afore mentioned merchant vessels, determines that the form and terms of the aforesaid policy should be amended or modified, or if the Board determines that any of the present terms of the aforesaid form of policy are productive of serious injustices or hardship, it may by Decision require that additional or different insurance protection be afforded to crew members of all such merchant vessels and prescribe appropriate amendments or modifications of the form of policy attached to Decision 1 A accordingly, all in such manner and

to such extent as the Board considers advisable. If the Board further determines that such action is necessary and proper in order to avoid unjust discrimination in those cases which have theretofore arisen, it may require, with and upon the concurrence of the Administrator of the War Shipping Administration, that any such additional or different insurance protection and any such amendment or modification of the form of the aforesaid policy be made applicable to such cases irrespective of whether benefits in such cases have or have not been claimed or paid under and pursuant to the terms of such policy then in effect, all in such manner and to such extent as the Board considers advisable.

Article II—Effective Date

This Decision and the form of insurance policy attached to Decision 1 A, shall, in so far as such policy relates to detention, repatriation and similar cases, be effective on and after 12:01 a. m. of March 15, 1943, and benefits therefor as to all masters, officers and crew members who are detained or have met with any of the situations described in Article 17 of the Second Seamen's War Risk Policy as a result of a peril which is insured against by the Second Seamen's War Risk Policy, shall be governed by and payable in accordance with the Second Seamen's War Risk Policy if such detention or peril occurred on or after 12:01 a. m. of March 15, 1943. If the detention or peril occurred before 12:01 a. m. of March 15, 1943, detention, repatriation and other benefits as the case may be, shall be governed by and payable in accordance with the terms of Decision No. 5, Revised.

Article III—Repeal

Decision No. 5, Revised and all Amendments, Clarifications, Memoranda and Procedural Bulletins pertaining thereto previously issued by the Maritime War Emergency Board are repealed as of the effective date of this Decision, except in connection with detention, repatriation and other benefits payable under Decision No. 5, Revised arising from a peril occurring prior to 12:01 a. m. of March 15, 1943.

MARITIME WAR EMERGENCY BOARD,

EDWARD MACAULEY,

Chairman.

JOHN R. STEELMAN.

FRANK P. GRAHAM.

JANUARY 28, 1943.

[F. R. Doc. 43-4068; Filed, March 15, 1943; 4:32 p. m.]

OFFICE OF DEFENSE TRANSPORTATION.

PRIVATE CARRIERS OF PROPERTY BY MOTOR VEHICLE

JOINT ACTION PLAN OF MILK DISTRIBUTORS IN AUBURN MILK MARKETING AREA, NEW YORK

Pursuant to a provision of a general order issued by the Office of Defense

Transportation for the purpose, among others, of conserving and providently utilizing motor vehicles and vital equipment, materials and supplies, (General Order ODT 6, as amended,¹ superseded in part by General Order ODT 17, as amended²), the private carriers named in the Appendix hereof have filed with the Office of Defense Transportation for approval a joint action plan relating to the transportation and delivery by motor vehicle of milk in the Auburn Milk Marketing Area, New York.

The participants have agreed that all retail delivery service in such Area shall be on an every-other-day basis, and that only one stop during any calendar day will be made at the premises of any customer served by such retail delivery service, except as provided by § 501.32 of General Order ODT 6, now superseded in part by General Order ODT 17, as amended. The distributors further agree that no retail delivery shall be made from a truck prior to 7:30 o'clock A. M. during any calendar day. Those distributors operating wholesale routes agree to trade "outlying customers" in order to reduce the mileage operated by their trucks, and to suspend delivery service to such customers when they can obtain adequate supplies of milk from other sources.

It appearing that the proposed joint action plan is in conformity with General Order ODT 17, as amended, and that the effectuation thereof will accomplish substantial conservation and efficient utilization of motor trucks and vital materials and supplies, the attainment of which purposes is essential to the successful prosecution of the war, I have approved the plan and recommend that the Chairman of the War Production Board find and certify under section 12 of Public Law No. 603, 77th Congress (56 Stat. 357), that the doing of any act or thing, or the omission to do any act or thing, by any person in compliance with said joint action plan, is requisite to the prosecution of the war.

Issued at Washington, D. C., this 16th day of March 1943.

JOSEPH B. EASTMAN,
Director, Office of
Defense Transportation.

APPENDIX

1. Ockenden Dairy.
2. Wait Farms.
3. Auburn Guernsey Farms Inc.
4. Pearce Brothers.
5. Bluefield Dairy.
6. Ford Dairy.
7. George Rao—Rao Dairy.
8. Auburn Sanitary Dairy.
9. J. Quill—Quills Dairy.
10. Kents Dairy.
11. R. M. Jayne.
12. Holmes Dairy.
13. Lewis Dairy.
14. Dairymens League.
15. Pine Springs Dairy.
16. W. Walker & Bros.
17. Steve Pesarchick—Willow Brook Dairy.
18. Gibbs Dairy.
19. Bisgrove Dairy.
20. Fleming Dale Dairy.

21. Hunter Dairy.
22. Bonney Bend Dairy.

[F. R. Doc. 43-4187; Filed, March 18, 1943;
11:48 a. m.]

COMMON CARRIERS OF PROPERTY BY MOTOR VEHICLE

JOINT ACTION PLAN IN OLD GREENWICH,
CONNECTICUT

Pursuant to a provision of a general order issued by the Office of Defense Transportation for the purpose, among others, of conserving and providently utilizing motor vehicles and vital equipment, materials, and supplies (General Order ODT 6, as amended¹), Thomas Heffernan and 18 others, members of The Greenwich Independent Refuse Collectors Association, Inc. Old Greenwich, Connecticut, have filed with the Office of Defense Transportation for approval a joint action plan relating to the transportation by motor vehicle of garbage and trash in Old Greenwich, Connecticut.

The participants in the plan are now engaged in the transportation of garbage and trash in Old Greenwich, Connecticut, as common carriers by motor vehicle; and in the parallel services performed there is considerable waste. On some streets, four or five houses are now being served by as many as three trucks; streets with from eight to 25 houses are being served by from five to eight trucks; and in certain private areas 50 houses are being served by five or six trucks. In each of these cases, the parallel services will be eliminated and one truck will do the work. The plan is to be effectuated by the even exchange of customers, on a revenue basis, by the carriers participating in the plan.

It is stipulated that the plan will involve no increase in the rates charged for the collection of garbage and trash; that there will be no curtailment of service under the proposed plan; and that the persons served will at all times have opportunity to choose another carrier who is not a participant in the plan.

It appearing that the proposed joint action plan is in conformity with General Order ODT 6, as amended, and that the effectuation thereof will accomplish substantial conservation and efficient utilization of motor trucks and vital materials and supplies, the attainment of which purposes is essential to the successful prosecution of the war, I have approved the plan and recommend that the Chairman of the War Production Board find and certify under section 12 of Public Law No. 603, 77th Congress (56 Stat. 357), that the doing of any act or thing, or the omission to do any act or thing, by any person in compliance with said joint action plan, is requisite to the prosecution of the war.

Issued at Washington, D. C., this 16th day of March, 1943.

JOSEPH B. EASTMAN,
Director, Office of
Defense Transportation.

[F. R. Doc. 43-4189; Filed, March 18, 1943;
11:49 a. m.]

OFFICE OF PRICE ADMINISTRATION

[Order 6 Under MPR 74]

WILBUR-ELLIS CO.

APPROVAL OF MAXIMUM PRICES

Order No. 6 under § 1363.62 (a) (5) (ii) of Maximum Price Regulation No. 74, as Amended—Animal Product Feeding-stuffs.

For the reasons set forth in an opinion issued simultaneously herewith and pursuant to the provisions of § 1363.62 (a) (5) (ii) of Maximum Price Regulation No. 74, as amended, *It is ordered:*

(a) *Approval of maximum prices for sales of meat scraps by Wilbur-Ellis Company with guaranteed minimum protein contents of 70, 75 and 80 per cent.* Wilbur-Ellis Company, San Francisco, California, may sell and any person may buy and receive from Wilbur-Ellis Company, meat scraps in bulk of the following analyses at the prices indicated below:

Guaranteed minimum protein content	Maximum price per ton f. o. b. conveyance at production plant of Wilbur-Ellis Co. located in Zone 1
70 per cent	\$78.20
75 per cent	83.25
80 per cent	88.30

(b) *Price adjustments where actual analysis differs from guaranteed minimum protein content.* In any sale made pursuant to the provisions of this order if the actual analysis differs from the guaranteed minimum percentage of protein permitted by this order, then:

(1) If above the guaranteed minimum percentage of protein, no increase in maximum prices is permitted.

(2) If one per cent or less below the guaranteed minimum percentage of protein, deduct \$1.50 per ton from the selling price.

(3) If more than one per cent below the guaranteed minimum percentage of protein deduct from the selling price, \$1.50 per ton for the first per cent and \$3.00 per ton for each additional per cent or fraction thereof.

(c) *Notification of maximum prices.* Wilbur-Ellis Company shall provide the following notice of the maximum price established by this Order with the first delivery to each buyer of meat scraps having a guaranteed minimum protein content of 70, 75 or 80 per cent.

The Office of Price Administration has permitted us to sell meat scraps with guaranteed minimum protein contents of (insert the appropriate percentage established by this Order) at a maximum price of (insert the appropriate price established by this Order) per ton, f. o. b. our production plant, which is in line with the maximum prices established for the product by Maximum Price Regulation No. 74, as amended. The Office of Price Administration has not permitted you or any other seller to raise maximum prices for sales of these meat scraps.

(d) All prayers and requests contained in the application of Wilbur-Ellis Company which have not been granted herein are denied.

(e) This Order No. 6 may be revoked or amended by the Price Administrator at any time.

¹ 7 F.R. 3008, 3532, 4184.

² 7 F.R. 5678, 7694.

(f) This Order No. 6 shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4197; Filed, March 18, 1943;
11:52 a. m.]

[Correction to Order 111 Under MPR 120]

SAGINAW MINING COMPANY

ORDER GRANTING ADJUSTMENT

Correction to Order No. 111 under Maximum Price Regulation No. 120—Bituminous Coal Delivered From Mine or Preparation Plant—Docket No. 3120-198.

Size Groups 3, 9 and 11, wherever they are referred to in Order No. 111 under Maximum Price Regulation No. 120 and in the Opinion accompanying that Order, are corrected to read Size Groups 2, 6 and 7, respectively.

This correction to Order No. 111 shall be effective as of December 21, 1942.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4196; Filed, March 18, 1943;
11:54 a. m.]

[Order 171 Under MPR 120]

CHERRY HILL MINING COMPANY

ORDER GRANTING ADJUSTMENT

Order No. 171 under Maximum Price Regulation No. 120—Bituminous Coal Delivered From Mine or Preparation Plant—Docket No. 3120-258.

For the reasons set forth in an opinion issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, and in accordance with § 1340.207 (d) of Maximum Price Regulation No. 120; *It is ordered:*

(a) Coals in Size Group 3, produced by Glen V. Brown, doing business as Cherry Hill Mining Company, Wooster, Ohio, at the Cherry Hill Mine, Mine Index No. 1561, in District No. 4, may be sold and purchased for shipment by truck or wagon at prices not to exceed \$3.40 per net ton f. o. b. the mine.

(b) Within 30 days from the effective date of this order, the said Glen V. Brown shall notify all persons purchasing the coals produced from his Cherry Hill Mine (Mine Index No. 1561), of the adjustment granted in paragraph (a) of this order, and shall include a statement that if the purchaser is subject to Revised Maximum Price Regulation No. 122 in the resale of coal, the adjustments granted in this order do not authorize any increase in the purchasers' resale prices except in accordance with and subject to the conditions stated in Re-

vised Maximum Price Regulation No. 122.

(c) This Order No. 171 may be revoked or amended by the Administrator at any time.

(d) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to the terms used herein.

(e) This Order No. 171 shall become effective March 19, 1943.

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4199; Filed, March 18, 1943;
11:54 a. m.]

[Order 42 Under Rev. MPR 122]

HICKS AND TAYLOR COAL COMPANY

ORDER DENYING ADJUSTMENT

Order No. 42 under Revised Maximum Price Regulation No. 122—Solid Fuels Sold and Delivered By Dealers—Docket No. 3122-44.

On June 22, 1942, Hicks and Taylor Coal Company, of Chicago, Illinois filed a petition for amendment of Maximum Price Regulation No. 122. This petition is being treated as an application for adjustment, filed pursuant to the provisions of § 1340.259 (a) of Revised Maximum Price Regulation No. 122. For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Price Administrator and in accordance with § 1340.259 (a) of Revised Maximum Price Regulation No. 122, *It is ordered*, That said application be, and it hereby is, denied.

This Order No. 42 shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4195; Filed, March 18, 1943;
11:54 a. m.]

[Order 15 Under MPR 136]

PACIFIC FENCE & WIRE CO.

AUTHORIZATION OF MAXIMUM PRICE

Order No. 15 under Maximum Price Regulation No. 136, as Amended—Machinery and Parts, and Machinery Services—Docket No. 3136-227.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, Executive Order No. 9250, § 1390.25 (a) of Maximum Price Regulation No. 136, as amended, and Procedural Regulation No. 6, *It is hereby ordered*:

(a) Pacific Fence & Wire Company of Portland, Oregon is hereby authorized to sell to any purchaser its chain link conveyor belting at the net prices it had in

effect on October 1, 1941 plus an amount equal to 14½% of such net price.

(b) To the extent that the application for adjustment filed by the Pacific Fence & Wire Company has not been granted by this order, the application is denied.

(c) This order may be revoked or amended by the Office of Price Administration at any time.

This order shall become effective March 19, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 18th day of March, 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4198; Filed, March 18, 1943;
11:53 a. m.]

[General Order 10]

DELEGATION OF AUTHORITY TO PAUL M. O'LEARY

ORDER OF REVOCATION

General Order No. 10 is hereby revoked.

(Pub. Law 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, as Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4215; Filed, March 18, 1943;
4:54 p. m.]

[General Order 18]

DELEGATION OF AUTHORITY TO PAUL M. O'LEARY

ORDER OF REVOCATION

General Order No. 18 is hereby revoked.

(Pub. Laws 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, as Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4216; Filed, March 18, 1943;
4:53 p. m.]

[General Order 28]

DELEGATION OF AUTHORITY TO PAUL M. O'LEARY

ORDER OF REVOCATION

General Order No. 28 is hereby revoked.

(Pub. Law 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, As Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4217; Filed, March 18, 1943;
4:54 p. m.]

FEDERAL REGISTER, Saturday, March 20, 1943

[General Order 40]

DELEGATION OF AUTHORITY TO REGIONAL ADMINISTRATORS

ORDER OF REVOCATION

General Order No. 40 is hereby revoked.

(Pub. Laws 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, as Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4218; Filed, March 18, 1943;
4:55 p. m.]

[General Order 42]

DELEGATION OF AUTHORITY TO REGIONAL ADMINISTRATORS

ORDER OF REVOCATION

General Order No. 42 is hereby revoked. (Pub. Law 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, As Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4219; Filed, March 18, 1943;
4:58 p. m.]

[General Order 45]

DELEGATION OF AUTHORITY TO LOUIS H. HARRIS

ORDER OF REVOCATION

General Order No. 45 is hereby revoked.

(Pub. Law 421, 507, 77th Cong.; E.O. 9125, 7 F.R. 2719; WPB Dir. No. 1, 7 F.R. 562, as Supplemented)

Issued and effective this 18th day of March 1943.

PRENTISS M. BROWN,
Administrator.

[F. R. Doc. 43-4220; Filed, March 18, 1943;
4:54 p. m.]

[Order 11 Under MPR 185]

PRODUCERS CO-OPERATIVE PACKING CO.

APPROVAL OF MAXIMUM PRICE

Order No. 11 under Maximum Price Regulation No. 185—Canned Fruits and Canned Berries.

Approval of maximum price for Producers Co-Operative Packing Company, Salem, Oregon.

The applicant, Producers Co-Operative Packing Company, has filed an application for specific authorization of a maximum price for canned No. 2 Standard Gooseberries, pursuant to § 1341.102 (e) of Maximum Price Regulation No. 185.

Due consideration has been given to the information submitted by the applicant with respect to the packing of gooseberries in the size and grade in question.

For the reasons set forth in the opinion which accompanies this order and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, *It is hereby ordered*, That:

(a) The applicant, Producers Co-Operative Packing Company, may sell, offer to sell or deliver and any person may buy, offer to buy or receive from the applicant, No. 2 Standard Gooseberries at a price no higher than the maximum price of \$1.63 per dozen cans, f. o. b. factory.

(b) This Order No. 11 may be revoked or amended by the Price Administrator at any time.

(c) The applicant shall not change its customary allowances, discounts or price differentials, including price differentials between different classes of purchasers, unless such change results in a lower price.

(d) Unless the context otherwise requires, the definitions set forth in § 1341.110 of Maximum Price Regulation No. 185 and section 302 of the Emergency Price Control Act of 1942, shall be applicable to the terms used herein.

(e) This order shall become effective March 19, 1943.

Issued this 18th day of March 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-4225; Filed, March 18, 1943;
4:56 p. m.]

[Amendment 4 to Emergency Order 5 Under Ration Order 11]

RESIDUAL OIL SHORTAGE IN SOUTHERN NEW ENGLAND

Pursuant to the authority conferred upon the Regional Administrator by § 1394.5715 of Ration Order No. 11, as amended, paragraph (c) (13) of Emergency Order No. 5 is amended to read as follows:

(c) *Order. * * **

(13) *Effective period.* Emergency Order No. 5 shall terminate at 12:00 p. m., March 23, 1943 unless extended by further order.

Effective date of Amendment 4. Amendment 4 to Emergency Order No. 5 shall be effective at 12:00 p. m., March 13, 1943.

(Pub. Law 671, 76th Cong., as amended by Pub. Laws 89, 421, and 507, 77th Cong., WPB Dir. 1, 7 F.R. 562, Supp. Dir. 1-0, 7 F.R. 8418; E.O. 9125, 7 F.R. 2719, Ration Order No. 11, 7 F.R. 8480)

Issued this 13th day of March 1943.

KENNETH B. BACKMAN,
Regional Administrator,
Region I.

[F. R. Doc. 43-4226; Filed, March 18, 1943;
4:57 p. m.]

WAR PRODUCTION BOARD.

[Certificate 42]

PRIVATE CARRIERS OF PROPERTY BY MOTOR VEHICLE

JOINT ACTION PLAN IN AUBURN, N. Y., MILK AREA

THE ATTORNEY GENERAL: Pursuant to the provisions of section 12 of Public Law No. 603, 77th Congress (56 Stat. 357), I submit herewith the Recommendation of the Director of The Office of Defense Transportation in respect of a joint action plan by the persons named therein concerning transportation of property by motor vehicle in the Auburn Milk Marketing Area, Auburn, New York.

For the purpose of the aforesaid section 12 of Public Law No. 603, I have approved the joint action plan recommended thereby; and after consultation with you, I hereby find and so certify to you that the doing of any act or thing, or the omission to do any act or thing, by any person in compliance with such joint action plan, is requisite to the prosecution of the war.

DONALD M. NELSON,
Chairman.

MARCH 17, 1943.

[F. R. Doc. 43-4193; Filed, March 18, 1943;
11:48 a. m.]

[Certificate 43]

COMMON CARRIERS OF PROPERTY BY MOTOR
VEHICLEJOINT ACTION PLAN IN OLD GREENWICH,
CONN.

THE ATTORNEY GENERAL: Pursuant to the provisions of section 12 of Public Law No. 603, 77th Congress (56 Stat. 357), I submit herewith the Recommendation of the Director of The Office

of Defense Transportation in respect of a joint action plan by the persons named therein concerning transportation of property by motor vehicle in Old Greenwich, Connecticut.

For the purpose of the aforesaid section 12 of Public Law No. 603, I have approved the joint action plan recommended thereby; and after consultation with you, I hereby find and so certify to

you that the doing of any act or thing, or the omission to do any act or thing, by any person in compliance with such joint action plan, is requisite to the prosecution of the war.

DONALD M. NELSON,
Chairman.

MARCH 17, 1943.

[F. R. Doc. 43-4194; Filed, March 18, 1943;
11:48 a. m.]

